

The Canadian Economy

to do until now, and that is what a good many will do in the future.

In the few minutes left to me I want to deal with the tax measures. I would first of all draw attention to the double standard which the minister and his colleagues constantly apply. My hon. friends and I noticed this the first minute the minister began to talk about tax changes. Seven per cent for the corporation; 3 per cent for individual Canadians. This is typical of what the government does. Why 7 per cent to the corporations, those penurious, poverty-stricken corporations of Canada? In the last quarter, corporate profits were the highest for some years.

Note, also, that this 7 per cent decrease—I will describe the kind of decrease it is in a moment—is not meant to apply only to the manufacturing industries which might be hit by United States import policies. It will apply to all Canadian corporations, including the resource corporations which already enjoy tax concessions worth hundreds of millions of dollars. These corporations, too, will benefit from the minister's across the board 7 per cent reduction.

Please note, also, that the 7 per cent deduction is not related to the tax rate. It is a reduction in the amount of tax payable, one of the most regressive ways in which tax reductions can be brought about. The payer of lower taxes gets 7 per cent and the payer of higher taxes gets 7 per cent, and in total amount the payer of higher taxes benefits from a much larger chunk of dough. On that point I do not care so much about the 7 per cent reduction for corporations. I care very much, though, about the 3 per cent reduction in income taxes payable by individuals. The changing rates should have been graduated.

Three per cent across the board is not graduated. It means that a person who makes \$10,000 a year and over—and only 10 per cent of Canadian taxpayers have taxable incomes of \$10,000 or more—will get a great deal more out of the 3 per cent than a person who has a taxable income of \$4,000 or \$5,000 a year: his 3 per cent will amount to only a few dollars. But for those with higher incomes such as Members of Parliament, that 3 per cent will amount to a pretty large chunk of money.

An hon. Member: You should know about that.

Mr. Lewis: And the lawyers, when they practice, and the doctors and the engineers.

Mr. Mahoney: Don't forget union lawyers.

Mr. Speaker: Order.

Mr. Lewis: I do not intend to lower myself to deal with remarks of that kind. It is obvious that members opposite are attempting to use their wit. Unfortunately, they are only half succeeding. I think it is important to note that a 3 per cent across the board reduction in income tax payable is worth a great deal more to those with high incomes than it is to those with lower incomes. It is a regressive and inequitable way of adjusting the tax system.

I think the people of Canada will greet the announcement today with some relief, as I do, because I would much prefer to have some program than none at all. But the people of Canada will understand that it is far too late and quite inadequate.

[Mr. Lewis.]

• (9:10 p.m.)

I suggest, Mr. Speaker, that actual expenditures—I am not talking about income tax losses but actual expenditures—should be two times or even more the amount proposed by the minister if there is to be any sizeable increase in jobs. The goal we should have set ourselves is the creation of at least 250,000 jobs during the winter months. From what one can foretell, this would have provided work for only about one-third of the likely number of unemployed in the dead of this winter. Nothing less justifies our being here and nothing less justifies the existence of this government.

All through the period of increasing unemployment crises the government has shown, as I have said, an attitude of complacency and insensitivity. No other government that I know of in the history of this country has shown greater complacency in the face of obvious difficulty. No other government has shown more insensitivity to human suffering. When the Prime Minister some months ago started his fight against inflation, as he called it, he said he would be prepared to take 6 per cent unemployment. He did not have to take it; more than 6 per cent of the Canadian people, according to the adjusted rate, are in fact taking it, and even on an unadjusted basis we have had unemployment that high. Ever since then no appeal to the government has had any effect. Then, unemployment became so desperate, as the September and August figures show, that even this government could not escape trying to do something about it.

It is a great pity that this action comes so late. Even the small program announced this evening—and it is small—would have helped. It would not have been small had the government not created an unemployment crisis of immense proportions.

Mr. Speaker: Order, please. The hon. member's time expired about a minute ago. He can carry on with the unanimous consent of the House.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent.

Mr. Lewis: Mr. Speaker—

Mr. Speaker: Order. I have to inquire again whether there is unanimity.

Some hon. Members: Agreed.

Mr. Speaker: The hon. member for York South.

Mr. Lewis: Mr. Speaker, I will not be many seconds, let alone minutes. The government's program might have been adequate had not the government created an unemployment situation of crisis proportions. Economists across the country have been pleading with the government to realize that it takes time from the announcement of a program to plan the program, to make investments and to create jobs. Therefore, if the government's program is intended to influence the unemployment situation this winter, it should have been announced last April, May or June, not in the middle of October.