

Income Tax Act

Mr. Speaker, will all these economic changes proposed in Bill C-170 have a saving effect on our taxpayers? I maintain that taxpayers will not find very much that is better in all these statements of principles and new legislation that are being put through in the field of taxation.

I think that we will still have the same problem, and that all that will only complicate the economic situation that we already know and deplore.

Our economic situation lacks of satisfactory balance. As I said just now, we produce all sorts of goods, we consume and we capitalize. These are the sectors that need putting straight, and they are precisely the sectors that the present bill does not deal with.

The present bill pays little attention to these areas, which we should all examine with a view to making changes that will bring about the results that the people have waited so long for. We all know that, in this budget as in previous budgets, the improvements we make to various forms of taxation and distribution are a mortgage on the future.

We are basing these regulations on a mortgaging of the future. Indeed, our tax laws and regulations are drawn up in such a way as to allow for future debts, future mortgages, and this does not solve the problem, now or in the future.

We are using the future more and more to mortgage Canadians, which will not solve the basic problems of our economy. Amassing still more debts will hurt us later on, because then we will have to pay debts of the past, and incur new ones so as to face the problems that confront us then.

The prime objective of the budget is to stop unemployment, put an end to poverty and reduce inflation. I think that, in the present situation, the contrary occurs because we have an increase in the rate of unemployment and in inflation, and we see with regret that poverty is growing worse.

The more we advance, the poorer we become, the less citizens can provide for their needs and balance their own budget because it is unbalanced in fact by government budgets.

When governments want to give some leeway to enable the individual to make both ends meet and set his budget on an even keel, we can only do that by unbalancing the budget of the state. If we do that to try to straighten out the budget of the individual, the problem is still there and the state is in a bad position, with the deficits we now have.

Mr. Speaker, this bill would bring up the basic personal tax exemption from \$1,500 to \$1,600 a year for unmarried people and from \$1,850 to \$3,000 for married couples. I think this is far from being sufficient and I am convinced that the problem will not be solved that way.

Mr. Speaker, to be logical and to tailor the tax exemption to the rise in the cost of living, it would have been necessary to do like Quebec and increase the basic allowance for single persons to \$3,000 and for married persons to \$5,000 a year.

Mr. Speaker, although it would have been a little more acceptable to taxpayers, it would not have solved the

problem because it is now said that almost 2,700,000 taxpayers will no longer pay income tax under the new basic exemption. They did not pay any before, because they were too poor, but the rise in the cost of living coupled with inflation is neutralizing the effect of the incentives which the government thinks it is giving to the people.

Apparently thousands of citizens will no longer pay income tax, yet the government will levy almost \$1.5 billion more than before.

They said that they were going to cut taxes but the reverse is happening; they raise taxes as never before. The same holds true of provincial governments. They call an election and tell the citizen that they have lowered taxes while they did just the opposite.

The taxes that we have now are in part indirect, they are hidden and the government or the Minister of Finance (Mr. Turner) is prepared to show his great talent by telling Canadians: We have exempted you from taxes, we have cut taxes, whereas in fact the burden is being shifted to a certain category of taxpayers.

As for the suppression of the 10 per cent tax on soft drinks that they have asked us to accept, we did, I believe, with pleasure, but it does very little for the taxpayers and will not even begin to solve their problems.

Mr. Speaker, I think that if this government had included in the budget a 10 per cent discount on the ever rising milk prices and on other food products in order to really help families, we could say: this is a positive and sensible measure which will directly help people in their great economic recession, which will help them meet both ends and live a little more decently.

As for the old age security pension raised from \$82 to \$100 a month, we voted for it and we are proud but we know that it will not solve the problem either. We know that the rising cost of living and inflation eats it all up. So there is no practical solution as yet, no solution we can accept with confidence. We cannot yet tell the taxpayers that we have really done something tangible for them. We have done nothing positive. It's all negative, Mr. Speaker.

The right-thinking citizens, those who are clear-sighted are saying to us: your work in parliament is all negative; nothing in all this fiddle-faddle helps us enjoy a decent living, absolutely nothing. All we are getting is higher taxes; the more we borrow money the more we have to pay back and we are becoming poorer and poorer.

The more governments advance, the more poverty increases among the population; the more governments get into debts in all kinds of ways and in all fields of economy, the poorer the people get. These changes are far from being advantageous and practical for the general public.

The New Democrats say that the problem will be solved by taxing the large corporations. I am in favour of only one tax table and I would like to see it appear. But to tax some people in order to give to others, when there are masses of overproduction, and to tax citizens who do not have enough already in order to give to someone else, that does not solve the problem. As a matter of fact, that only increases the cost of living and the cost of products.