

Income Tax Act

While the Prime Minister is laughing, inflation is once again getting out of hand. I would also say that with this latest ploy on the part of the government to hide the problem behind a smokescreen, and I refer to this 30 pounds of tax reform legislation, the tax burden remains right where it has always been.

With Your Honour's indulgence I should like to quote from the motion moved on September 13 by the hon. member for Edmonton West (Mr. Lambert):

This House, deeply concerned with unacceptable levels of inflation, persisting unemployment and stagnant industry and conscious of the necessity for meaningful tax reform, declines to give second reading to a bill which does not provide sufficient stimulus to the economy of Canada with appropriate tax cuts and incentives, does not contain adequate tax exemptions and is not calculated to materially improve business and labour conditions in Canada now or in the foreseeable future.

This is a serious indictment of what the Minister of Finance has called the heaviest piece of legislation ever tabled in this House. It is clear, Mr. Speaker, that this is not tax reform but rather tax juggling. It is a serious offence against the public trust vested in the Minister of Finance to spend hundreds of thousands of dollars, perhaps millions of dollars, on a long series of futile manoeuvres leading up to what we are told is a tax reform package.

A few days ago the hon. member for Selkirk (Mr. Rowland) noted in his speech that all the discussion about Tax reform started with the Royal Commission on Taxation called the Carter Commission, from which flowed the Carter report. Then, we were introduced with much fanfare to the government's white paper on tax reform. I would like to inject a comment here concerning the white paper on taxation. Hon. members on this side of the House, and more than a few on the government side, will remember with some little satisfaction that the Minister of Finance was thoroughly roasted by a few segments of the population when he went to the people with that particular gem, and the white paper was truly a gem. After the white paper was referred to a committee of the other place as well as to a committee of this House, it was reported upon. These reports were appended to the white paper, along with reams of representations from individuals and groups throughout Canada. Presumably this massive accumulation of data was sent to the same group of experts who, over the past three years, produced those budgets that have so effectively stagnated the Canadian economy.

At this point, Mr. Speaker, the casual onlooker would immediately exclaim, "I know what happened next. The whole package was fed into the furnace, and the Finance Minister started all over again." Not a bit of it, Mr. Speaker. That is what one would naturally assume, but the Minister of Finance had learned by then that he had the Canadian people squarely on the rack. All he had to do was to turn the wheel and the cries of anguish would rise to a beautiful crescendo. The Minister of Finance knew without a doubt that he had created a monster equally as bad as any of his previous budgets. He had here a tax reform bill that was devoid of reforms. He had here a tax bill that was devoid of any of the measures that the country needs so desperately at this time—tax cuts, increases in exemptions, and a removal of the crippling 11

per cent sales tax on building materials, among other things.

I am also reminded that the Minister of Finance was smilingly complacent last year and the year before when the Official Opposition warned repeatedly in this House that the government's fiscal policies, or the lack of them, were cooling the national economy at an alarming rate. When questioned about the danger of fighting inflation by deliberately creating a high level of unemployment, the Minister of Finance and the Prime Minister both said that they could and would accept a much higher level of unemployment in order to beat inflation. We now have the highest level of unemployment in more than a decade, and inflation is still very much with us. In fact it is still climbing. Considering the dismal record compiled by the Minister of Finance in managing the national economy, it is easy for me to understand how he could put his stamp of approval on this monstrosity, Bill C-259.

In the last few days another development has come to light which will make it imperative for the federal government to wring still more taxes out of the wage earners in the provinces that are self-supporting, such as Ontario and a few others. Thank God we do have some provinces which are self-supporting. I just wonder if the Prime Minister and the Minister of Finance knew in advance of the announcement by the welfare minister of the province of Quebec that he has dusted off one of the old Duplessis canards, specifically that his province would pay a premium to families with large numbers of children. The idea is that a married couple should be encouraged to have a large family whether or not they can afford it, and where necessary their annual income would be guaranteed at a level that at least would permit them to survive. I mention this, Mr. Speaker, because the money would obviously have to come from taxpayers in other parts of Canada. At a time when Quebec is already getting a disproportionate amount of tax revenues from other provinces in equalization payments, this scheme cannot be allowed to go into operation without full debate on the issue in this House.

The Quebec government says that it is launching the scheme in order to off-set the decline in the birth rate among French Canadian families in that province, and that there is a danger that the decline will result in a lower proportion of French Canadians to other Canadians in future years. Whatever the Quebec government chooses to do in order to increase the birth rate of French Canadians is its own business, but when such schemes are financed with revenues of other provinces, when such schemes are financed with taxes from Canadians who live and work in other parts of Canada, then they become the business of this House. I strongly condemn the government for not giving us notice that the Quebec government had decided to take this selfish and unilateral step.

The point I am making is that the amount provided in family allowances should be comparative and equal in different parts of Canada. The severity of the tax load should fall in an equitable way on the shoulders of all Canadians, and the tax revenues paid out by the federal government should be paid out in an equitable way.

Some hon. Members: Oh, oh!

Mr. Alkenbrack: I hope the derision from the other side of the House explains my point.