

Income Tax Act

of the Department of National Revenue, thereby doing away with a practice which could be called a premium on charity.

If we are generous, we will get our reward at the end of our life on earth.

I am of the opinion that the Minister of Finance should examine those suggestions with care, for I am sure there are ways to improve the situation. Maybe there have been excesses, but the situation must be corrected. I submit that the Minister of Finance will succeed in finding a solution because, as I said, words are no longer enough, it is time to act.

Mr. Latulippe: Mr. Chairman, I am pleased to take part in the debate on Bill C-95.

This bill includes many things, but we would have liked it to bring forward some relief to the Canadian people. Unfortunately, taxpayers will not be helped by it. It can be noted that tax exemptions are very few. In fact, there are only a few changes, a few amendments to the various clauses which, on the whole, merely move things from one place to another.

Mr. Chairman, our society is disintegrating and we are too blind to realize it. We can judge of the soundness of society only by the wealth we have gathered. As long as we do not see sticks and clubs, we will remain very quiet, like the Bourbons of Spain a few centuries ago.

I am convinced that Bill C-95 could be improved.

Aware of our duties and obligations toward society, we claim a \$3,000 income tax exemption for bachelors. In my opinion, that should be included in the bill. Married taxpayers should enjoy a \$5,000 exemption, plus a \$1,000 exemption for each child. Unfortunately, this is not in the bill.

Also, we claim a tax deduction on all workmen's tools used by their owners to earn their living. We should also have liked students to benefit from a tax exemption on their tuition fees. A family head should be allowed to deduct from his income tax the tuition fees for his children aged 16 and over. Unfortunately, there is no mention of those exemptions in the bill.

The government does not know where to get the money. That is why it is seeking means to replenish the treasury. I know that the government needs money and that it must find it somewhere. An easy solution would be to reduce the interest rates and to use the facilities of the Bank of Canada to finance public works. That would be two ways for the government to secure the necessary funds without cost. We could use that institution to achieve that end if we wanted to, but unfortunately it is impossible under

[Mr. Chretien.]

the present financial system. It is felt that the Bank of Canada should not be put at the disposal of the Canadian people, but where is the money going to come from?

But I would ask the Minister of Finance to look for money where he can find it.

If you refuse to do so, if you have to steal money from the workers in order to give it to the needy, at least be wise enough to take it from those who benefit most from society. At least, leave what is necessary to those who need it to live decently.

Allow me, Mr. Chairman, to quote a few statistics in support of my remarks.

On page 1039 of the Canada Year Book for 1962, we find that individuals pay the same amount in taxes as companies and their shareholders. Why must they always be granted exemptions that enable them to pile up profits and capital at the expense of other people who are always in debt and have no security?

It was announced that the period between August 1962 and August 1963 would be a year of austerity for all Canada, and special personal income taxes were levied. During the period between August 1962 and August 1963, the market value of the shares of 740 companies or trusts increased from \$44,740,769,022 to \$57,351,895,062, that is by almost \$13 billion. For whom were the austerity measures meant? And companies are always complaining that their profits are too low, that they fear the future and that they need tax relief in order to survive. What about the private individual?

Do you know that, in 1962, the Canadian taxpayer paid \$700 out of his income solely for the administration of the federal government, that is almost 44 per cent of the average salary?

Do you know that interest charges take between 16 and 17 cents out of each tax dollar, and they keep increasing. It is not surprising that Khrushchev claims that communism will one day overcome capitalism.

Do you know that federal and provincial taxes have increased by 3,000 per cent during the last 50 years?

It is unthinkable that a country as highly industrialized as ours, with a large and hard-working labour force with a sufficient number of technicians, experts and engineers, should find itself at the mercy of such an extent that it is virtually enslaved by financial and economical means.

We have no one to blame but ourselves, and our irresponsible governments. Our industries must increase their output, widen their fields of production in order to be in a position to employ all the available manpower and raise our standard of living.