

Income Tax Act

government is flexible and willing to change and to adapt its legislation to the needs of the people.

Surely, our goal in Canada must be social equity, but it must also be a system of taxation that will encourage the economic development of this country. And just as surely, no member can, in conscience, vote against provisions such as the following: personal exemptions that are raised to \$1,500 from \$1,000 for single persons, and to \$2,850 from \$2,000 for married persons—indeed, we hope they will be even further raised; we are not saying those levels are the ultimate—child care expenses that are deductible up to \$500 per child under 14, with a maximum of \$2,000 per family; an employment expense deduction of 3 per cent of employment income, up to \$150 a year, with no receipts needed; all taxpayers with married exemption and income solely from wages and salaries will pay less tax than at present; taxpayers with single exemption and employment income only will pay less tax on incomes under \$8,000 and above this level the tax increase will not exceed \$78 a year; all taxpayers age 65 and over will receive a special exemption of \$650; the guaranteed income supplement will be exempt from tax; moving expenses will be deductible for taxpayers changing jobs; employer-paid living expenses for jobs at distant work sites will be made tax free to more taxpayers.

In addition to this, the limit on deductible donations to charities will be increased to 20 per cent of income, from 10 per cent. The standard deduction for medical expenses and charitable donations remains at \$100. And the list goes on and on, Mr. Speaker. Surely the mover of this amendment is not suggesting that we should refer back a measure which will confer these and other benefits on such a wide section of the Canadian population. The bill does not represent perfection. The Minister of Finance has already said that certain changes are inevitable and has indicated areas where changes may be expected. Surely the members of this House can exhibit more courage, after ten years of discussion and dialogue, than to seriously entertain the proposal now before the House.

Many of us disagreed with certain of the proposals set forth in the original white paper; certainly I disagreed with many of them. Several of these problem areas are, however, problems no longer because of amendments that have been made.

Let us hope that Canadian tax reform is not going to be confined solely to the federal jurisdiction. As one who has served in a provincial legislature, I assure all hon. members that changes are required urgently as well, at other levels. After all, it is the people who pay the taxes and we must at all levels try to move this money around as equitably as possible. Therefore, let us hope that other reforms will be forthcoming in other jurisdictions.

• (9:20 p.m.)

One group in society that the present bill assists, at least in part, is the senior citizens. These older people in society are the first and tragic victims of rising costs and rising taxes. I have yet to hear any adequate defence of the present method of financing education. Senior citizens who earned their living when a dollar bought a dollar's worth of goods, older people who raised and educated their families, now must pay a totally unreasonable edu-

[Mr. Perrault.]

cation tax if they wish to retain ownership of their small homes. That applies in almost every province of this land.

An hon. Member: But not in Ontario.

Mr. Perrault: At least we can express the hope that while we should aim for a more equitable tax system at the federal level, at the provincial and municipal levels there will be a fairer distribution of some of the inequitable burdens involving social welfare and educational costs especially. Our continuing philosophy as Canadians should be one which seeks the best system of taxation and a fair system—indeed, a system of taxation at all levels which, hopefully, will become a model for the world.

[Translation]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am happy to speak to the motion of the hon. member for Winnipeg North Centre (Mr. Knowles).

Throughout the debate on Bill C-259, we, *Créditistes*, did not say much, although we had much to say. We realized it seemed almost useless to move amendments or to criticize the bill. We knew it was useless to try to have those amendments passed, because the government has the majority and had decided to go ahead against any and all valid suggestions.

And so, the government introduced Bill C-259, which is an extremely complex bill. I would say, right at the outset, that this so-called tax reform is anything but a reform, and that it it will probably lead to economic chaos the like of which we have never known.

Our economic system is in pretty bad shape at the present time and the enactment of Bill C-259 will make it harder because the citizens will be increasingly dispossessed.

Mr. Guay (St. Boniface): Mr. Speaker—

Mr. Deputy Speaker: Order. The hon. member for St. Boniface is rising on a point of order.

Mr. Guay (St. Boniface): Mr. Speaker, I am rising on a point of order.

I would like to ask the hon. member for Compton, following his comments, whether he is willing to make some suggestions. He has just mentioned that they would not be considered. I would like to ask him to make some so that we may consider them.

[English]

Mr. McGrath: Mr. Speaker, that is not a point of order. The hon. member is interrupting debate, and that should not be permitted. Let the hon. member resume his seat. We are accustomed to his interruptions.

Mr. Deputy Speaker: Order, please.

Mr. McGrath: Sit in your seat, Joe.

Mr. Deputy Speaker: The hon. member for St. Boniface (Mr. Guay) has the right to raise a point of order. The Chair has the responsibility to decide whether it is a point of order. The hon. member for Compton (Mr. Latulippe).

Mr. Ricard: On a point of order, Mr. Speaker, would you rule on the point of order that the hon. member raised? Was it in order, or was it not?