

Business of the House

producer has over the Canadian shipper, of up to 43 cents a box or one cent a pound shipped into Canada. In view of the fact the Minister of Transport has said he can or will do nothing about this and is hiding behind the CTC, will the Minister of Agriculture use his heavy weight in Cabinet to convince the Minister of Transport, the CTC and the railways of the need to do something about this outrageous situation?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I am sure the hon. member knows that if there is anything that can possibly be done we will do it. We have met with the B.C. apple producers and have said that if at the end of their market year they can show actual figures of the loss we are prepared to use the provisions of our agricultural stabilization bill to assist.

ROUTINE PROCEEDINGS

[English]

EXTERNAL AFFAIRS

PETITION PROTESTING CONSTRUCTION OF NUCLEAR BASE
NEAR VANCOUVER, B.C.

Mr. Speaker: Order, please. I have the honour to inform the House that the Clerk of the House has laid upon the table the twenty-first report of the Clerk of Petitions stating that he has examined the petition presented by the hon. member for New Westminster (Mr. Leggatt) and finds that it meets the requirements of the Standing Orders as to form.

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BUSINESS OF THE HOUSE

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order. Yesterday we rather got into the Thursday question about the business of the House, but I wonder if I might now ask the government House leader if there have been any changes in respect of the list presented to us yesterday of the bills requiring consideration, namely, C-69, C-77 and C-52. Are there any others that require to be dealt with before the Christmas adjournment?

Mr. Sharp: Mr. Speaker, it is possible there will be another bill, but it is contingent upon an agreement among the parties and, perhaps, an order of the House that there would be extremely limited debate. If I do not get that undertaking, I will not introduce the legislation.

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● (1500)

PUBLIC ACCOUNTS

Fourth report of Standing Committee on Public Accounts—Mr. Crouse.

[Mr. Whittaker.]

[Editor's Note: For text of above report, see today's Votes and Proceedings.]

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INCOME TAX ACT

TABLING OF NOTICE OF WAYS AND MEANS MOTION
RESPECTING INCOME TAX

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I should like to lay on the table of the House notice of ways and means to amend the Income Tax Act to impose a surtax on personal incomes. I should like to explain it briefly. The motion tabled proposes the establishment, effective January 1, 1976, of a 10 per cent federal surtax for one year on the portion of taxable personal incomes in excess of \$30,000 as a means of further reinforcing the national program for attacking inflation that has been launched by the federal government.

As the House is well aware, it has been our concern from the beginning that the anti-inflation program should be fair, and should be seen to be fair, to all groups in our economy. That is critical to the credibility of the program and crucial to its success. In response to a strong expression of opinion in the Commons and in the country, I indicated some weeks ago our intention of modifying the original guideline proposals as they applied to those in lower income brackets so as to provide for an exemption from restraints for those earning up to around \$7,000 annually. Similar considerations have also led to a review by a number of provincial governments and the federal government of the adequacy of existing minimum wage levels.

Those at the lower end of the income scale are already heavily burdened by the sharply rising cost of living, which makes it difficult for them just to provide their basic needs. As the House is aware, my colleague, the President of the Treasury Board (Mr. Chrétien), tonight will announce a number of spending cutbacks planned by the government in order to restrain the rise of total government expenditures. Those cutbacks, unavoidably, will affect a great many Canadians but particularly those of moderate incomes.

In terms of fairness and equity it is, we believe, only fair that those at the upper end of the income scale, who are able to absorb the impact of rising living costs without undue hardship, should be asked to shoulder some share of the burden. As members are aware, some provinces have suggested that a surtax should be applied against the earnings of self-employed professionals. In our view, however, it would not be equitable to single out the professional group alone for such treatment. We have come to the conclusion that a surtax should be levied on all those in the upper income bracket whether they be professionals, independent businessmen, corporate executives, well-to-do farmers, or senior public servants. While the guidelines do provide for a maximum increase of \$2,400, it is fair to ask those who already enjoy ample means to make a proportionately greater sacrifice in the national interest.

As I indicated at the outset of my remarks, the 10 per cent surtax would apply only to the portion of the federal levy payable on taxable income in excess of \$30,000. To illustrate, let me take the case of a married taxpayer with