

*Income Tax Act*

by the federal government, which are disguised social welfare, 73.1 per cent of these people could not find employment and are still under the \$5,000 level.

So, Mr. Chairman, in order to achieve that just society and this small mathematic calculation is ample proof, the government invented various programs. To the aged, it gives old age pensions. To children, it will give family allowances; recently we messed around with that. To the penniless, it gives welfare benefits with the tip of its fingers, a pittance, after both provoking and humiliating tests. To the unemployed, it gives unemployment insurance, and even then the individual has to fill out oodles of forms before being eligible. Those who are left over, when the rate of unemployment is too high, receive training courses and, finally, as I have just demonstrated, nothing is solved.

All those programs, as my hon. colleague for Témiscamingue pointed out, cost billions each year; they cost a mint. Any wonder they represent the major item in the federal budget; that is what raises personal income tax. The people whom the government is concerned with in clauses 109 and 110 do not have, even before exemptions, the means to pay their income tax. Is the government doing them a favour? No way! On the contrary, it is only messing about further in their almost empty pocket book, even though it may hold \$50 more a year.

Such is, Mr. Chairman, the just society! This is why we object to clauses 109 and 110. We maintain that the lot of the people affected by those provisions will not be improved. This is why we are again urging the government to increase those basic exemptions to \$3,000 for single persons and to \$5,000 for married couples.

There is nothing more logical than the figures which I have just given you in connection with the retraining courses. Indeed, I stated that before attending those courses, 78.4 per cent of the 301,000 individuals in each group had an income lower than \$5,000. They were attending courses to improve their lot, because their income was inadequate. If the government recognizes that it is necessary to improve their lot by providing courses for them, could it not much more easily solve most of the problem with a total tax exemption, at \$3,000 for single taxpayers, and at \$5,000 for married people?

My colleague, the hon. member for Champlain (Mr. Matte) even told the government, this afternoon, and the same argument applies in the field of old age security pensions—when both husband and wife are drawing the maximum, that is \$255 a month or \$3,060 annually, establishes a sufficient minimum income, not to live, but to subsist. People who are the least fortunate in our society, the unemployed, the aged, children, the crippled, the widows, are precisely those who must pay the most for housing, clothing and food. These three essentials of live are precisely the most expensive items, judging from the increase in the cost of living and the tables of Statistics Canada. Consequently, the less favoured are the first hit by the increase in the cost of living and the government's failure in its fight against inflation.

Of course, if the government considers that \$3,060 is enough as a minimum income ensuring the bare subsistence of the older person, supposing that both the husband and wife receive the guaranteed income supplement, our

argument is all the stronger when we ask the government to grant the same amount to the people who, as my colleague from Champlain has stated, are not 65, but 60, 40 or 30.

I have already shown that people who receive less than \$5,000 per year cannot make ends meet. That is why they are registering for retraining and that they make use of government programs. They have no other choice.

Mr. Chairman, when old people are asking for an increase in their old age security pensions it is because they cannot make both ends meet. Furthermore, if the government is aware of that, is it not willing to increase basic exemptions from \$1,500 to \$3,000 for single people and from \$2,850 to \$5,000 for married couples?

Mr. Chairman, if the head of a family of two or three children receives a \$5,000 income, it represents only \$1,000 a year per person, less income tax. Because the government is refusing to increase these exemptions, these people will have to pay taxes. This is sheer nonsense. If that is what we call the just society, Mr. Chairman, living conditions were better under the old system of 1867. At least, at that time people were not annoyed with tons of documents and with the administrative flimflam of incompetent Public Service employees. At least they could manage with their axe and make a living.

• (9:50 p.m.)

How is it that in those days, people could do without degrees, education, social welfare, old age pension, retraining programs, the just society. Indians and Englishmen managed to live. Today, billions of dollars are spent on old age pensions, family allowances, unemployment insurance benefits, retraining courses, scholarships. Now, Mr. Chairman, one hand will give a scholarship and the other will take taxes from the recipient. How brilliant!

Mr. Chairman, as my colleague from Témiscamingue (Mr. Caouette) said, that is really serious. If the government does not wake up and smarten up and if it continues to have bats in the belfry, it will very soon face a revolution in Canada.

It seems to me it is high time to get out of the clouds and come down to earth and look at the problem where it is. The problem of poverty is increasing in Canada. How can we explain that with all this fine government programs promoted with such ability, they have not succeeded in getting rid of  $\frac{1}{4}$  per cent of poverty in Canada? On the contrary, it keeps on increasing. Would it be that these programs are inadequate?

Mr. Chairman, this does not make sense and we cannot swallow this fact. That is why my colleagues and I, following our devoted leader, the hon. member for Témiscamingue, stand up and protest against these schemes, these proposals. This bill of 710 pages, designed to tax our fellow citizens, which does not remove the least bit of poverty and solve any problem, is only an example of administrative tinkering that civil servants are fond of. It justifies their salaries.

Mr. Chairman, I must protest. I address my protest to the Minister of Finance (Mr. Benson) who will not even listen to what we have to say, preferring to joke and "swing". Mr. Chairman, I am compelled to urge that he increase the basic exemptions so that our fellow citizens