

Income Tax Act

Mrs. MacInnis: —and deceiving them by making them believe that it will give them presents for social development and social progress.

That is precisely what this government does. It stole pennies from the poor by raising this tax, even before it was authorized by legislation. It robbed them to give them what? More taxes and an increase in the cost of living. In fact, the Minister of Finance (Mr. Benson) and the Minister of Consumer and Corporate Affairs (Mr. Basford) gave no indication that things would cost less in a foreseeable future.

[English]

If I could continue in French I would, but I am afraid I cannot as yet. I am more fluent in English. One of these days, though, I will become desperate and deliver an entire speech in French and hon. members will have to put up with my grammatical mistakes and unscramble my blunders. I feel most strongly on this question and I know that no matter which language the people of this country speak, they all suffer from the same problems. I am as concerned as the Prime Minister is about the language question and I support the languages bill. Nevertheless, the government ought to bring down the cost of living. It should make those best able to pay carry the greatest burden of taxation, because that is the way to national unity. You create national disunity when you discriminate against some parts of our population. If the government wants national unity in this country it had better control rising living costs and impose greater taxes on those best able to pay. We need the official languages bill, but that bill alone will not bring unity if other problems are not dealt with. The government must act on both aspects. In the meantime something must be done about the cost of living.

When we in this party talk about the need for certain universal services and ask the government not to take the backward step of applying a means test on those social services for which we fought so hard, a great hue and cry goes up on the government side of the house. Hon. members ask, "Would you give these services to millionaires?" I say, certainly I would, but I would let the computer take back any money so spent. I would take that money back in the form of income and corporation taxes which would be based on the taxpayer's ability to pay. When some of us ask, "Why not take additional taxes from our millionaires?" the cry goes up, "No, no, a

thousand times no, we will not take anything from our millionaires. Our poor millionaires are groaning now under their heavy tax burden. We dare not raise their taxes."

May I refer to an article about MacMillan Bloedel, a company that operates in my part of the country, in the *Monetary Times* for June, 1969. The article says in part:

Giant MacMillan Bloedel Co., for example, has size (1968 sales: \$584.5 million), balance (lumber, pulp, paper, packaging) and international muscle.

• (5:30 p.m.)

Though it slightly trails other west coast producers in recent earnings gains and profit margins, its first quarter net was up 39 per cent and in March, according to Chairman John V. Clyne, 67, MacMillan Bloedel had the highest operating profit in its history. The company earned \$38.8 million in 1968, despite a whopping 56 per cent tax rate.

An hon. Member: There is some money, Benson.

Mrs. MacInnis: There is where the minister can get some. It is not the whopping 56 per cent tax rate that is important. The important thing about taxes is what you have left after taxes are paid. If with this whopping 56 per cent tax rate MacMillan Bloedel is still making the highest percentage profit in its history, then the taxes on MacMillan Bloedel are too low. I warrant that the same thing is true of a great many other corporations in Canada.

We do not want to soak the rich. We want to soak the people of this country according to what they can bear in the way of soaking. Taxation should be a way of collecting fairly and distributing fairly the cost of the goods and the services we need. The Carter Commission report, which has been pigeonholed and is gathering a lot of dust, enshrined a mighty good taxation principle, namely, fairness according to ability to pay. Sooner or later that report will have to come out of its pigeonhole. When the people of Canada realize that unfairness is going to continue they will become very upset about this legislation and other pieces of legislation like it.

I receive dozens of letters each day. I do not know what kind of letters the minister gets from his constituents, but this one that I got this morning is typical of most letters I receive. It is from a veteran and it reads in part:

What most people need is more money and it makes it hard on old age pensioners. It is hard on them when prices are out of line and the stores are raising prices every time there is the least increase in wages. But pensions don't rise. I have no idea what will happen but one thing is sure: it can't continue this way much longer.