

*Taxation Reform*

great degree of interest, it should be possible to ensure that all members of the House will have an opportunity to secure the expert assistance they may need in order that they may properly discharge their responsibilities.

I have heard various figures banded around. Somebody this afternoon said \$200,000. I do not know what figure the Minister of Finance (Mr. Benson) has in mind. I am not advocating that by any means, but it seems to me that my hon. friends to my left have a right to put their case. It is the wrong case, but they have the right to put it forward. My hon. friends opposite have an even greater wrong in their case, although perhaps I may digress for a few moments to say that there are a few shreds of virtue and value in the white paper, largely embedded in a dark mass of economic foolishness. But my hon. friends have a right to try and make that case with such reasonable assistance as may be determined.

As may be determined from the speeches made by my leader and by the hon. member for Edmonton West (Mr. Lambert), we have dealt with this matter thoroughly, carefully and intelligently. We have gone into it closely and made our case. We, who have the best case, might not need as many experts as others, but we are going to ask for them just the same. I hope the government House leader is paying heed to what I am saying because that will be our position officially, not only on this but on other matters, when it becomes the responsibility of a committee to make a careful, studied and searching examination of any issue, particularly one as important and as difficult as this. The virtues of the adversary system must be maintained by permitting there to be engaged on behalf of the respective groups such experts, help and counsel as may reasonably be expected.

I am not suggesting that we go as far as the system in the United States where in every committee there is staff to assist the chairman, staff for the majority group on the committee and staff for the minority group. There are many committees where this is not necessary. But I would go so far as to say that members of the government side, sitting as a group, oftentimes have a position divergent to that of the government. The trouble is that they do not have it often enough. But they have a right to maintain such a position, especially in committee, and it may be that government backbenchers who sit on committees should also be entitled to some form of assistance. I make that plea now. This will be

[Mr. Baldwin.]

our position. I am not on the committee, but I want to make it quite plain that we will take this position in the committee.

Many things I could say about this white paper have already been said, so I will limit myself to dealing with one or two specific aspects of it. It seems to me that the Minister of Finance is attempting, in the form of the organized hypocrisy which is being put forward in support of the white paper, to destroy the initiative of that large middle class which forms the backbone of any society with an incentive system. I have no doubt about that. The minister may not think so. He may well say, "We are now establishing norms of taxation rates which will not have that effect." I suggest to you, Mr. Speaker, and to all members of the House, that an examination of the income tax system from the time it was first imposed as a temporary measure during the First World War more than 50 years ago, indicates what happens. Measures which are brought forward on a temporary, tentative basis never stay that way. They become permanent; they become imbedded in our economic and tax structure, and the taxation levies and returns consistently increase.

I suggest to members of this House that in a country like Canada, where we have so much to do, where we have a frontier and so much lies beyond the frontier, it would be criminal folly to take, to adopt, to support measures which would have the inevitable result of destroying the group which generates the capital that provides for the development of these areas.

In an older civilization, an older society which has not the advantages we have of being able to develop, to find new wealth, to exploit it for the benefit of the people, these schemes and these systems may become essential, although in this connection I would refer to a study by Professor A. R. Ilersic, commissioned by the Vancouver Board of Trade, which deals with examples of capital gains tax in the United Kingdom and with new measures of taxation introduced there. At page 7 of his study I read this:

Only someone who has had to assimilate, simultaneously, the two new taxes introduced by the 1965 Finance Act, i.e. the Corporation Tax and the Capital Gains Tax, can comprehend the burden laid upon the tax machine and its operators. In the Travers Lecture given in London on November 1st, 1966, Mr. E. Kenneth Wright, M.A., F.C.A., a member of the Council of the Institute of Chartered Accountants in England and Wales, observed that "the first consequence of the fiscal revolution of April 6th, 1965, has been to introduce confusion into our tax system" . . .