Mr. MacEachen: On a point of order, Mr. Chairman, it may be we should find out whether the House would be ready to dispense with the private members' hour in the interest of continuing the discussion which has been taking place in the committee.

Mr. Baldwin: I always like to have these public explanations made in connection with any thought of dispensing with the private members' hour. Perhaps we could go even further than that and sit between the hours of six and eight, without in any way restricting the right of hon. members to give adequate consideration to this bill.

I say this because a great many hon. members have arrangements to make late tonight. Would there be any indication forthcoming as to the length of time it would take to complete this portion of our business, supposing we were to sit between five and six and again between six and eight? I am not asking for any undertaking, but some indication of what hon. members have in mind might be of help if we are to assess this situation.

Mr. Knowles (Winnipeg North Centre): I suggest we take it an hour at a time. The issue at the moment is that of suspending private members' hour. We agree to that, and we can consider the other matter later.

● (5:00 p.m.)

The Acting Speaker (Mr. Laniel): Is there unanimous consent to forgo the private members' hour?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Laniel): The House will now resume the study of Bill C-275, an act to amend the statute law related to income tax, in committee of the whole.

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INCOME TAX AMENDMENTS ACT, 1971

The House resumed consideration in committee of Bill No. C-275, to amend the statute law relating to income tax—Mr. Drury—Mr. Laniel in the chair.

The Deputy Chairman: When the committee rose it was discussing clause 3, on which there is an amendment moved by the hon. member for Oshawa-Whitby.

On clause 3: *Additional deduction from tax.*

Mr. Nystrom: As I was saying, Mr. Chairman, just before we broke for a moment, our amendment is based on one thing, and one thing only, namely equity. We are trying to get more money into the hands of the poor and middle income groups. We realize this is only a part of tax reform, and we realize tax reform is only a part of the fight against poverty. The proposal in our amendment is one of the things we will have to adopt if we are to give a decent break to the lower and middle income groups.

We know that the economic system discriminates against the low and middle income earner. Unless we stop current practices the low or middle income earner will not be free to pursue what he wants economically and socially. The whole capitalistic system accentuates this. It gives rewards to those who make high profits.

[The Deputy Chairman.]

Someone said that hard work earns high profits. I know a lot of people in this country who made a lot of money not because they worked hard but because they had a few lucky breaks, or because they had a rich uncle or a rich grandfather. I know many people who are working hard on farms and in factories but who are discriminated against. We are not saying that they should be given special benefits, but we are saying that there should be equity in the tax system; that their income should be taxed on the same basis as someone who is fortunate enough to have a great deal of wealth.

Hon. members do not realize what this bill does. It is giving a $1.09 tax reduction to a married person with two children earning $4,000, and a $202 tax reduction to the man earning $50,000. The poor fellow who is just getting by on $100,000 will have his tax load reduced by $750. That is the type of equity that the Conservative and Liberal parties want. That is the type of equity I do not stand for and that I am fighting against.

Hon. members opposite talk about initiative. This bill gives initiative only to those people who have a lot of money. What about the small guy? Have they ever thought of giving him some initiative so that he could have a chance to enjoy better housing, buy a few more books for his children, and find better opportunities for his family? We would probably have a better and wealthier society in Canada if this were the case, instead of handing out bigger and bigger carrots to foreign corporations and the wealthy.

Mr. Kaplan: Mr. Chairman, I heard the hon. member say that if we did those things he mentioned maybe we would have a wealthier society than we have today. I thought the same thing as I listened to the hon. member for Duvernay. As much as hon. members opposite want to attack our tax system, attack the economic policies of this country and attack the extent to which we have been dominated by foreign investments, it still cannot be overlooked that we have the second or third highest standard of living of all the countries in the world. This has not resulted from the implementation of the policies that the NDP have been advocating, and it certainly would not result from following the policies advocated by the hon. member for Duvernay.

When I hear attacks on and challenges to the economic policies and tax system of Canada, I concede that there is a lot wrong with the tax system and a lot of reform is required. But it is important to remember that this is the system which produces one of the highest standards of living in the world.

That is not something that the members of the NDP should write off. They come here claiming to represent the interests of the underprivileged. I do not know where they get that mandate, but they claim to do so. But it is seriously wrong for them not to take into consideration the fact that the tax system and the economic policies of our country have been responsible for giving us our high standard of living.

When they complain about the taxes paid by the oil and gas industry and say they should be higher, and that other sectors of the economy should be paying much higher taxes than they, hon. members opposite may be right; but why do they fail to take into consideration the effect that