

*Income Tax Act*

• (3:20 p.m.)

The three provinces of Ontario, British Columbia and Alberta are also to be affected in quite a different way by the proposal to tax medicare premiums paid by employers. This again could cause serious disruption, not to mention injustice, to hundreds of thousands of Canadians and hundreds of thousands of taxpayers unless changes are made and made quickly. We want to know how far the discussions and negotiations have gone between this government and the provinces. We want to know if any assurances have been given with regard to uniform legislation and fair taxation. We want to know if we in this country are now in danger of creating a new and even more impossible tax jungle if this or any other bill should become law before January 1 next or indeed at any time in the near future. This is a tremendously important aspect of our discussions. One thing that has not changed from the original concept of the white paper in the present proposal is that the federal government is still doing it alone. It is preoccupied solely with its own needs. It is preoccupied with what the Canadian government itself wants to get from the Canadian taxpayer. I say that is just not good enough. The federal government must take the provinces and the needs of the provinces into consideration. It must consider the men and women who will have to pay the taxes, either to this government or to the provincial governments.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** Let us not forget one thing. When you come right down to it there is just one fellow paying those taxes whether they be federal, provincial or municipal. There is just one Canadian taxpayer. He is the one who will have to suffer from any tax jungle that exists. He is the one who will have to pay all the costs and suffer all the frustrations if we do not come out of this with a credible and understandable package.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** I do not mean just at the federal level. I mean at all tax levels. That is why it is irresponsible for this government to go off on its own and ignore the problems it may have created elsewhere and at other levels of government.

These are just a few of the questions the government will have to answer in the course of this debate. If those answers are not ready and if they are not convincing, then that is another reason for this government to take another look at its timetable because we shall certainly give no assurance that we will expedite measures which after all could cause more difficulty than they would solve. There is one other major question to be considered in this whole matter of timing. That is the matter of priorities. What is this massive and complex bill which is before us going to do to help solve the immediate pressing problems of the Canadian economy and, need I say it again, the problem of mass unemployment the spectre of which is again facing hundreds of thousands of Canadians this coming winter? What does this bill propose for that? I do not have to answer the question because it answers itself—nothing. In fact, the effect will be negative because we will be

[Mr. Stanfield.]

spending the time on this measure before we have any program adopted for our immediate problems.

This tax bill is important. It is vital that we clear up the uncertainty which has been plaguing the economy for two years or more. But this Parliament in this September of 1971 has another more urgent responsibility. By all indications we are racing into another winter season of massive unemployment. That is a situation we cannot afford to contemplate. One winter like the last one is already too much to have had to bear. A second such winter would be disastrous.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** What is this government going to do to ensure that this does not happen again or to even to try to ensure that it does not happen again? There are not any indications of it doing anything. Inaction we cannot accept. Inaction, Sir, we will not accept. Let this government not use that old line that this measure has to go through immediately to permit lower income Canadians to come off the tax rolls during the next fiscal year.

I have said before that we on this side of the House, speaking for my own party at least, have been ready to co-operate to the fullest extent with any effort made by the government to achieve its goal of providing tax relief to lower income Canadians. I proposed such relief a year ago and repeat the offer today. But I say the government could proceed immediately with such relief through a system of tax credits. I believe all parties on this side of the House have been advocating this. It is a system which would be easy to implement at relatively moderate cost. There is no need at all for these two issues, immediate tax relief for lower income Canadians and a general change in tax procedures, to become confused. If the government really wants to provide help for lower income Canadians it can do so without trying to ram this whole tangled mess of proposals down the throats of the members of this House of Commons.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** Let us have no more attempted blackmail on that score. That is something we certainly cannot accept. For that matter, does the government really know what it is doing with its whole anti-poverty program? Yesterday we received from the Minister of National Health and Welfare (Mr. Munro) some details concerning the family security program. There is evidence that there may be no co-ordination between the Department of National Health and Welfare and the Department of Finance—I do not know. I do not know whether these two ministers are speaking to each other these days. Perhaps they have had a quarrel. But surely, there must be people in their departments who talk to each other occasionally. If they do, however, they certainly are not communicating very effectively. The Minister of National Health and Welfare tells us, for example, that his plan takes into account the fact that it costs more to raise a child when he is 12 years old than when he is younger than that. So, under this measure the government proposes to provide more money for children at that level.

The Minister of Finance, in proposing his deductions for taxpayers, agrees it is more expensive to bring up older