

Income Tax Act

be that the powerful chartered bank lobby is a little upset by the fact that the credit unions of this country are now in No. 2 position in the small loans field.

Another criticism I have, Mr. Speaker, of Bill C-259 relates to the elimination of the federal estate tax. Here, again, I want to impress on hon. members opposite that this reveals the double standard approach to taxation. Obviously, only the wealthy, and particularly the very wealthy, are concerned about estate taxes, for the poor and lower middle income groups have little to leave except memories. I am not opposed to individual enterprise and I am not opposed to rugged individualism. As a classroom history teacher I have always had the greatest respect for the pioneers who came to this country and developed a way of life that is most commendable. Yet we often confuse the rugged individualism of that era with the protected individualism of today, and here we find a double standard. It is estimated that 80 per cent of those in this nation who are very wealthy have inherited their wealth. In other words, this inheritance in many instances is a passport to the easy life. Of course, we cannot blame them for this. They have inherited their wealth because our laws permit that. We cannot call such people economic parasites, because what they inherit they usually invest, and they live off their investments. Yet I suggest, Mr. Speaker, that they do absolutely nothing in many cases to earn any of their inheritance and that they contribute virtually nothing to the development of this country. While they masquerade as rugged individualists trying to protect the extremities of the free enterprise system, they are simply living the good life off somebody else's hard work. I suggest that the elimination of the federal estate tax is simply contributing to this kind of non-effort on the part of some very wealthy people in this country. In other words, Bill C-259 is simply protecting these people and protracting their lives, which I would call somewhat useless.

What about imposing a 100 per cent estate tax, so that we can all start out on a truly equal level. Then, we should find who really are the rugged individualists of this country. Then we should find which of us really has the gumption to do something with his life and to create better living standards for his family. An estate tax like that would mean that the kids in St. James town, Toronto, would enjoy the same advantages, economically speaking, as the kids in Forest Hill. Of course, in the present circumstances that would be unthinkable. However, I am not seriously considering a 100 per cent estate tax. I realize that in many instances, in fact, in most instances, a dying man or woman has a spiritual need to pass on his or her material possessions to someone else.

• (2:10 p.m.)

There is one final point I wish to make. It has to do with parents of children who are physically disabled. There are thousands of children in this country who are born with physical deformities. A large percentage of them live in small communities or in rural areas where medical facilities are not sufficient to cope with their physical needs. It is often necessary for the parents of these children to travel long distances to metropolitan areas, Vancouver, Winnipeg and so on, or even, sometimes, to cities in the United States, in order to find specialist medical treat-

[Mr. Blackburn.]

ment. In the course of these journeys they incur very high costs in travelling expenses, overnight accommodation, dining in restaurants, and so on. Sometimes they are away for as long as a week. I am wondering whether some tax concession cannot be made to these parents who must face special financial problems of the kind I have mentioned, in addition to the normal heavy burden of taxation.

I have drawn attention to some of the aspects of this bill to which I am opposed. I have talked about the credit unions. I have talked about the people who have been granted the vast sum of a \$150 tax write-off to cover legitimate costs incurred in their work. And I have drawn attention to one or two other points which I feel are pertinent to the average Canadian, particularly to those who will save \$2.50 a week as a result of the new basic tax exemptions. When we come to committee of the whole, and discuss the bill clause by clause, I shall have more to say about these matters.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I welcome this opportunity to speak on Bill C-259, entitled an act to amend the Income Tax Act and to make certain provisions and alterations in the statute law related to or consequent upon the amendments to that Act.

The Income Tax reform bill is a document containing 707 pages, a weighty, complex tome which will directly affect the daily lives of every man, woman and child in Canada. It affects them indirectly, too, in that it reaches into the factories, stores, banks and corporate headquarters to stimulate or hinder progress. In so far as it stimulates corporate and individual enterprise, it may be considered helpful. In so far as it cramps, paralyzes or hampers initiative, it is a foolish measure.

In my opinion, taxes are to serve the people, to enable them to get along with as small a government apparatus as they need. Neither government nor taxes are ends in themselves. They are a means to an end, namely, the proper development of the national life. Whenever they become an unreasonable burden on families or individuals they restrict economic freedom, curtail democracy and generate apathy and laziness. The Income Tax reform bill is, therefore, a vital bill. Yet, allowing five minutes for the reading of each page, a person would need some 58 hours to pass through this maze. At most, a busy Member of Parliament might be able to spare five hours daily for such a task, almost 12 days. But 12 days would not be enough, since even tax experts profess to be confused and uncertain about the complexities of the measure.

The income tax reform bill is the product of almost nine years of commission hearings, public discussion, protest and, finally, distillation by scores of legal and fiscal experts who decide how much of his income the man in the street is to be allowed to keep. It has been calculated that Canadians work well into May each calendar year merely to gain enough to pay the manifold taxes levied on them by all levels of government. In a sense, therefore, they work five months of every year in order to pay the tax collector.

As I said a few moments ago, this is a very complex measure. This viewpoint has been endorsed by the Canadian Chamber of Commerce which used the follow-