

Family Allowances

● (2120)

A new tax system then came into effect to promote increased capital profits for large corporations. Those methods at first certainly promoted production but on the long run, mainly because of increased capital profit commodities, that method became harmful, and the whole economy of this country is suffering from that and contributes to throw out of balance consumption and capitalization on a progressive production. That method contributes to destroy the national economic balance between the purchasing power of the people and the power to capitalize of large corporations, which is detrimental to all small individual and family businesses, to all economic activities of decentralized areas, of small or rural towns.

I already quoted figures in that connection; it would be needless to repeat them today. But now, Mr. Speaker, I want to look into the problem fully and seriously with the ministers concerned and their officials. The important thing is that there be no further postponement of the passage of this urgent piece of legislation providing for increased family allowances for all Canadian children under 18. I want rather to use the time at my disposal to move officially later on a motion to increase family allowances to \$30 a month and setting out the way to pay them without causing tax increases, increases in prices or in the cost of living for any citizen of this country and the way to thus restore the national economic balance between individuals, families and corporations, between incomes, expenditures and profits, between taxes and reserves, between needs, costs and prices, between employers, employees and dependents, between production, consumption and capitalization at the national level and in the standard mechanisms of our regular monetary, economic and political systems.

We can, Mr. Speaker, make great changes. We can give much greater satisfaction to the people of this country. We can give them welfare within the framework of the present system because this system is sound. Mr. Speaker, it is only a matter of amending a few acts and regulations in order to allow the distribution to each citizen of a guaranteed income in a country which can produce plenty. We have capitalized \$48 billion in 1973 with 50 per cent of our work force, while the unemployed remained inactive. If the taxpayers were given enough purchasing power, we would witness all sorts of new developments and the disappearance of unemployment. We would see production increase, not only by \$114 billion, but maybe between \$175 and \$180 billion, or even \$200 billion, if we put everybody to work.

Because of credit restrictions and because too little is given too late, Mr. Speaker, our people are at their wit's end. They are always deprived of everything, they cannot undertake anything for lack of financial backing; on the other hand, when money is available, interest rates are prohibitive at 8, 10, 12 per cent, or even more. Under such conditions, how can our economy develop? In the system, we now use to develop our economy, it is necessary to increase tremendously the private and public debts. This cannot go on that way and taxpayers are more and more aware that when they receive \$1 from the government, they give \$6.

[Mr. Latulippe.]

There must be an economic rebalancing and the best means for achieving this is to give Canadian children an adequate purchasing power based on the present facts and realities of our economy; this way, Mr. Speaker, we will be able to tell the people that we have done something. We will be able to tell the Canadian people, as well as the old political parties: We increased family allowances. But the old parties will not tell the Canadian people that by complicity, they let the cost of living increase and that they took billions of dollars out of the taxpayers' pockets because of this increase in the cost of living. They will say, just as Mr. Bourassa does in the province of Quebec: We have not increased taxes for three years.

However, the cost of living has nearly tripled, which brings the government billions of dollars. I would say that governments are partly responsible for the increase in the cost of living because it equals an indirect tax which annoys taxpayers.

But the taxpayers will be more and more aware of this situation. Moreover we have to know where the money will come from and the Minister of National Health and Welfare clearly said that he had not found a magic wand and that money did not grow on trees.

Considering the overall statistics of our national economy, in 1973, it is easy to see that that would simply mean to collect the necessary billions of dollars to boost the purchasing power of all dependent citizens, out of current taxation and undue profits realized by large millionaire and billionaire corporations capitalized in the form of excessive profits, depreciations or reserves either provided or hidden, that are not taxed by our governments at the present time, in accordance with privileges or exemptions detrimental to our national economy as a whole and especially to those individuals who must pay more income tax in relation to their income, so as to offset the cost of such privileges granted to corporations.

To show the importance of such income tax disparities between individuals and large corporations I will give the following explanation which is quite close to reality. Nowadays, for every \$5 tax collected from individuals, the government collects only one dollar from corporation in relation to their income. So as to balance things out nationally between individuals and corporations, between labour and capital, a flat amount of \$3 would need to be collected from each individual. Hence the government would still collect \$6 but the individual would see his tax reduced by 20 to 40 per cent. Corporations would not pay at a higher rate than individuals and everything would be in order and evened out to the satisfaction of all taxpayers throughout Canada.

This would be a way of finding the necessary capital in order to place in the hands of the taxpayers the economic component the nation needs to keep its balance.

● (2130)

Another even more effective means would be to cash part of the excess yield or overproduction, which would allow a balanced distribution of the purchasing power among the taxpayers, especially those who need it most.

I know very well that it is very difficult for all of you to accept immediately this program which, even much simplified, requires long explanations. Everything should be