

*Income Tax Act*

Hamilton and District Labour Council. I am rather surprised that the Liberal members from Hamilton have not raised their voices to protest the action of the minister on this occasion. I think the submission is interesting in itself and probably explains how the steel workers feel about this particular tax. I should like to quote their submission in full:

The Hamilton and District Labour Council represents over 40,000 affiliated members. We have had extensive dialogue with our members over the question of taxes. Our members are concerned with the present tax policies of our country. They do not think we have fair and equitable taxation. This feeling is based, as we have pointed out, on considerable discussion of the problem giving them some knowledge of the current situation. Even more important, it is based on an increasing and personal awareness of how they themselves are affected by taxes.

Our labour Council took part in the Canadian Labour Congress Citizenship Month campaign to publicize our support for the principle of fair and equitable taxation and general support for the recommendations for reform contained in the Carter Report. The response that this campaign met with is certainly indicative of the widespread public support for such reforms. The card signing campaign resulted in hundreds of cards being sent into your office and the offices of both Federal and Provincial Members of Parliament.

● (9:00 p.m.)

We received another 8,000 cards from the Hamilton area alone. However, most significant in this part of the campaign was the result from two newspaper ads we placed in the *Hamilton Spectator*. We printed a sample of the card and asked readers to clip and mail to the Labour Council office. We do not know if any were mailed directly to you, but we received over 1,300 in our office. These were mailed at the people's own expense. Almost 100 of them contained a personal letter, appeal for action, or pledge of support. Copies of these letters are enclosed, and some of them are from the very heart and cannot help but make any interested party realize that there is a need for more justice in tax policies.

Because of this concerned reaction to our campaign, and because of the labour movement's—and this labour council's—honest belief that justice is not being done for the working people; because of our feeling that fixed income, low and middle income citizens are bearing an unfair portion of the tax load, we ask you to act now in implementing major tax reforms in Canada.

You, Mr. Minister, more than anyone else, because you hold the responsibility in a majority government, have the power to act. We are asking you to be partisan; be partisan on behalf of the vast majority of Canadians who work for wages or live on pensions, and who are not very affluent in today's society. The lobby on behalf of the corporate world and the entrepreneur and speculator is big and powerful, and well organized. The media of this nation is private enterprise and, therefore, at the command of those with money. They present their case well and constantly, and

[Mr. Saltzman.]

it is a case for the 'status quo' or, at best, as little change as necessary—and only when necessary.

We can only rely on the efforts of individual citizens and the efforts of those unions with a social awareness to plead our case.

This makes it imperative, if people are to continue to have faith in people as politicians, that you, as a minister of the people, put their interests firmly ahead of the vested interests of the few.

We say that recent tax increases have hurt the average citizen more than the wealthy, and much more than some of our corporate empires. We find it impossible to justify, for instance, your 2 per cent social development tax increase with a ceiling, so that it hurts those above \$6,000 taxable less than those below.

We cannot understand the reluctance to institute a meaningful capital gains tax, especially as a curb to speculators.

We question the tax loopholes and exemptions and depletion allowances enjoyed by mining, forestry and financial institutions.

The vast power of giant conglomerates indicates the increasing concentration and power of wealth. We fear that this power gives them almost the right to tax through their control of prices.

To us it is an injustice that an old age pensioner with a supplement pays taxes. It is an injustice to increase taxes on working people with a tax ceiling. It is an injustice to allow speculators to make thousands on a smart land or stock deal and pay no taxes, while a worker putting in overtime or receiving a small dividend from his credit union finds a good portion of this extra hard-earned incentive gone in taxes.

We know where the wealth is in this country—it is in the corporate structure. We feel that this is where you must go for your tax dollars.

Our people value their society and are willing to pay for it. We know taxes are here to stay. We expect they will increase. We are willing to accept all of this.

In return, we ask that taxes be more fair and equitable than they now are. We think the principle of 'a buck is a buck' makes sense!

This intelligent letter indicates a recognition which most of us have that taxes are here to stay, that they are worthwhile and buy us things we could not buy in other ways. How many of us could send our children to school without the tax system we have? Would we have roads without taxation? Would we have the facilities we now have without taxation, or ultimately medicare without taxation? Taxes purchase many of the things we need, but there is an anger against taxes in this country which is caused by the injustices of the tax system. It is not that we do not recognize the value of taxes. The facts are quite simple; the wrong people are often being asked to pay an unfair share. We feel this aspect needs to be corrected, and we feel that this 2 per cent social development tax in particular is an infamous kind of