

Income Tax Act

supporters are not with it at all so far as an understanding of the modern world is concerned. I do not know whether the hon. member for Trois-Rivières follows the example of the Prime Minister. Perhaps I should turn my previous statement around and suggest that the Prime Minister's thinking is just about on the level of the hon. member's when it comes to economic and social questions, and shows the same 19th century attitude.

Until the Minister of Finance made his statement last night we did not know for certain what assumptions he was making as to the budgetary position. We know now, from what he had to say last evening, that he expects a surplus. To my mind this is all the more reason for our opposing today the proposals contained in this bill, and particularly in this clause, which arise out of the minister's last budget. If the minister had been prepared to recognize that those at very low levels of income, particularly those receiving a retirement income only, are being ground into the ground by the effects of the inflation to which he refers—and certainly nothing he has indicated suggests that their position is going to be altered by what he calls his anti-inflation proposals—if he had been prepared to recognize as a matter of simple justice that in asking this house to follow through with the passage of this income tax bill he could have used some of the \$250 million to rectify some of the more glaring injustices that this proposal has created, then perhaps we might have been able to let this provision pass with a somewhat clearer conscience and with less objection that some of us feel we must make to it at this stage. It all adds up to what I tried to suggest to the minister on second reading, that his whole approach is turning the concept of justice and equity in the application of necessary taxation completely upside down.

● (5:10 p.m.)

[Translation]

Mr. Matte: Mr. Chairman, I should like to make a few comments on this notorious social development tax.

We have before us a clause which normally involves most people, because whenever taxes are mentioned, everybody is all ears and a little anxious. In fact, we are all annoyed when we have to pay our share to administer the community.

However, those constant tax increases are, in my opinion the real causes of the economic inequalities we are experiencing now, and

have known practically all our lives. Because this system is basically wrong, the recurrent solution applied is a further tax increase.

We have heard over and over again this year the old saying "Money does not grow on trees", but neither does it grow in our pockets, and this they fail to understand. It is true that money does not grow on trees, but nobody ever wakes up in the morning with his pockets full of money or seeing trees all covered up with bank-notes.

But money is only a means of facilitating trade and the distribution of goods, as we have been asserting for years. It is useless to coat the pill with new words by calling it a social development tax, for instance. The wording has been changed, since it used to be called a tax, a tax increase. But now they are trying to sugar-coat things by calling it a social development tax, so that it will be more easily accepted by the population.

I remember that during the last election campaign, the hon. member for Trois-Rivières (Mr. Mongrain) was cheered by five or six people in Saint-Casimir, in the Champlain constituency, when he said that he would increase taxes. It was the first time that I witnessed such a feat, to be cheered for promising to increase taxes.

Mr. Mongrain: Mr. Speaker, I rise on a question of privilege.

The Deputy Chairman: Order. The hon. member for Trois-Rivières rises on a question of privilege.

Mr. Mongrain: Mr. Speaker, I always knew that my friends of the Ralliement Crétiste did not know how to count. The hon. member said that five or six people heard me in Saint-Marc-des-Carrières, but there were exactly 159.

Mr. Matte: Mr. Speaker, we can see that the hon. member for Trois-Rivières is not only in favour of tax increases, but that he has a certain talent for increasing the number of people present at a meeting.

No matter how nice a simple tax increase is made to loop, the choice of words will not make it go down more easily.

We have finally found out that the social development tax represents the share of public revenues which normally goes to the provinces to help them establish medicare. It might just as well have been called the health care tax, and I presume that in the future, we will come upon other expressions to replace the word "tax".