

Income Tax Act

tively difficult to change the law. I am sure that it is administratively difficult to change anything.

• (9:40 p.m.)

Heavens above, a thought came to my mind but I suppose I should not follow it up. The point I make is that we hit the small people with this, yet we could take some of the load off their shoulders. We will not take anything great from the national revenue and I really cannot see why the government does not at least take a second look at the situation and try to do something about it. I would hope that that would be the case.

Mr. Kaplan: I judge that my earlier argument did not find much sympathy on the other side of the House. Let me try one other. There is no spouse in this country who does not contribute in some measure to her husband's earning process, whether he is on salary, whether he himself is employed or whether he is the owner of a business. If they live together and love each other and if they work together, she does something to contribute to his income-earning process, and this even applies to Members of Parliament—in fact, particularly to Members of Parliament.

If that self-evident fact is conceded in the House, then we come to the question of where to draw the line. Are they not arguing, then, on the basis of equity for an extra deduction for everybody who is married, because whether you are on salary, whether you own your business, whether or not it is incorporated, whether you work in the city or in the country, if your wife contributes to your income-earning process why should she not get a deduction for it? Then we come back to the point that I made earlier. If we do not put a floor on the deduction which we will permit, which is in effect what we do through the requirement for incorporation, we get everybody into this act justifying deductions.

We would expect our bureaucrats, the employees in the Department of National Revenue, to look into every one of these relationships, to assess it and determine whether or not some benefit is justified, what the value of the benefit is per hour, how many hours are spent and what result is achieved. These are all questions that I think hon. members, however much they would like to see this deduction, must surely admit defeat the equity of their proposal.

Some hon. Members: Hear, hear!

Mr. Bigg: Mr. Chairman, the problem is certainly one of equity under section 74(5). We are trying to find a solution, along with the government, to a very troublesome problem. The income group that we are talking about is not composed of the \$25,000 a year man; they are not Members of Parliament and their wives but they are the small people who are running little entrepreneur businesses such as hot dog stands and small fruit stands where the husband and wife are of necessity forced into 24-hour service to the public. They have little or no savings with which to buy into the Canada Pension Plan which, everyone will admit, has some merit. They are not able to benefit from the Canada Pension Plan because, in a great many cases, between the two of them they do not have \$800 clear profit from their small business. They are

[Mr. McCleave.]

eating off their own hot dog stand and they are feeding their children fish and chips out of the family bin. Those are the people about whom we are worried and for whom we want equity. They are in the thousands.

Look at the figures of Statistics Canada and you will find how many thousands of people in Canada have an income of between \$3,000 and \$5,000 a year which today, according to Canadian standards, is below the poverty level. Those are the people about whom we are worried. They do not benefit from the Canada Pension Plan but they are under the aegis of this act. They pay very small income tax, if any, it is true. But when you have a net income of \$3,600 a year an extra \$100 in income tax constitutes a serious problem. It may mean nothing to the \$30,000 a year man. Perhaps he can afford to pay 46 per cent of his income to the three levels of government, but when you are below \$5,000 a year and with a family you cannot afford to pay taxes of any kind to anybody.

This is the small but very significant group of people about whom we are worried, and sarcasm will not help nor will comments back and forth across the House. Passing this 707-page document will not help them either. Under section 74 (5) we have an opportunity to pool our common sense, if any, and to come up with a sensible, agreeable and equitable amendment. I assure you that it would not take ten minutes to receive approval from the House. There would be unanimous consent from this side of the House if the government gave some kind of relief to this group of people earning between \$3,000 and \$5,000 a year. It is these people, who have no net profit and who cannot benefit from the Canada Pension Plan, about whom we are worried. We have a problem here.

There is no one in the galleries and I do not suppose the press will bother to put this in the papers, but the members of this party are worried about the problem. I have been sitting here during the debate of the last two or three days and most of the remarks I have made have been relevant. None of them has been sarcastic and I hope some of them have been to the point. The people of Canada are fed up with the time we are wasting here at \$25,500 apiece per year, plus expenses. We sit around here and waste the time of the country on a document which, it is admitted, needs more than 100 amendments. Let us on this side of the House who have the interest of the small people at heart get together and put forward an amendment.

Do you have all the wisdom over there? Let us have a bit of co-operation. Let us have some participatory democracy. I myself did not come from the upper class. I came from the working class and I have achieved this pre-eminence in the House through the support of people who now ask me, "What have you accomplished?" We have absolutely nothing in the way of co-operation from the other side of the House in respect of Bill C-259. Personally, I am ashamed of myself but I am not nearly as ashamed of myself as I am of sitting here with 150 government members who are not budging one inch. All we hear from them is sarcasm and loud remarks. I would have thought that in the great Liberal Party two or three members would have had the courage to say that perhaps there is something in what we say.

Some hon. Members: Hear, hear!