

market were able, and are able, to get away with paying virtually no taxes. I point out that this is about the last country on earth without a meaningful capital gains tax. A man who works and earns \$5,000 a year pays tax, but a speculator who makes \$50,000 on a land deal or in a flutter on the stock exchange does not have to pay income tax on his gain.

What is the government proposing? It is finally proposing a capital gains tax but, Mr. Speaker, not a tax like anybody else would pay, not a tax on the full income earned as the result of a capital gain but a tax at half the rate which the ordinary taxpayers pay. That may suit the hon. member for Winnipeg South Centre but it certainly does not suit the ordinary workers who elected him to come to Ottawa. The Carter commission recommended that all income be taxable. I think Mr. Carter used some pretty good vernacular when he said that for the purposes of taxation a buck is a buck no matter how one earns it. What would that mean? It might hurt the hon. member for Winnipeg South Centre although I doubt that it would hurt many of his constituents.

If that recommendation had been adopted, all income would be taxable, including stock options, gifts—the government proposes to eliminate the succession duties and gift taxes and the hon. member for Winnipeg South Centre thinks that is a good idea—and pay of any kind such as strike money, unemployment insurance, compensation, sickness, group and life insurance, credit union and consumer dividends, tax free allowances, profit sharing, gambling gains, premiums paid by employers for hospital and medical insurance, and so on. Had these kinds of principles been included in the legislation which we are dealing with today, we would have seen a redistribution of the tax burden so that wealthy individuals and corporations would pay their fair share of taxation. The Carter commission estimated that in 1964, \$523 million more in corporation taxes would have come to the federal government in one year, \$271 million of that from foreign investors.

I suggest to the hon. member for Winnipeg South Centre that if Ottawa had that kind of money it could do something to help the provinces and municipalities overcome the difficulties such as his constituents have in paying their real estate taxes. The hon. member is more concerned about the profits of the mining companies than he is about the taxes of his constituents.

**Mr. Osler:** Mr. Speaker, I hate to be repetitive . . .

**The Acting Speaker (Mr. Laniel):** Is the hon. member rising on a point of order or a question of personal privilege?

**Mr. Osler:** On a point of order, Mr. Speaker. I do not mind taking the jolly chidings of the people on the other side; it is part of the game. They are not intellectually very significant and we can slough them off, but when one is misquoted it must be pointed out. I made no brief for the mining companies in any way. If you look at the record I think you will find that I said there should be special grants to other companies to provide jobs rather than just to extractive industries.

#### *Income Tax Act*

**The Acting Speaker (Mr. Laniel):** Order, please. The hon. member may be allowed to make a slight correction but he cannot make his speech again. I think the point was well taken, but I suggest that we allow the hon. member for Winnipeg North (Mr. Orlikow) to continue his remarks.

**Mr. Orlikow:** Mr. Speaker, I said that the hon. member for Winnipeg South Centre had agreed with the government's proposal to wipe out the succession duties and gift taxes. Since the hon. member has objected—and he did not mention mining companies—let me correct what I said. The hon. member is more concerned about the millionaires in Winnipeg who will be able to leave their estates to their children without paying any taxes than about the constituents who are concerned about how to pay their real estate taxes.

• (9:50 p.m.)

**Some hon. Members:** Hear, hear!

**Mr. Osler:** On a point of order, Mr. Speaker, an hon. member cannot impute motives to another. I cannot be told by an hon. member who I am more concerned about. If he has ten fingers he can count twice the number of millionaires that there are in my constituency.

**The Acting Speaker (Mr. Laniel):** Order, please. In the opinion of the Chair the point raised by the hon. member is, again, a question for debate. It is very difficult for the Chair to follow the debate if hon. members intervene any time another hon. member says something with which they disagree. It is difficult to apply the rules of this House without the co-operation of hon. members.

**Mr. Orlikow:** Mr. Speaker, I want to make it clear that I was not imputing motives; I was simply drawing what I considered to be a logical conclusion from the remarks made by the hon. member for Winnipeg South Centre.

If the recommendations of the Carter commission had been implemented they would have provided generous tax credits for post-secondary education costs. They would have put a tough limit on travelling and entertaining costs and stopped expense account living. They would have provided for the taxation of families as units with provisions for averaging year to year income over five years. They would have provided for the maintenance of basic exemptions in the form of zero taxes on the exempt amount and much lower taxes on the balance.

Compare those proposals with the proposals made by this government. What we find, Mr. Speaker, is not the movement toward a more progressive system of taxation. In the western world, whatever our political beliefs, we have come to believe that we want a more progressive, a more equitable system of taxation. What we have here is a deliberate plan to continue the regressive and unfair system of taxation which for years has been deliberately weighted so that people in the lower income brackets pay a higher percentage of their income in taxes than those in the middle and upper income brackets.

Let us look at some of the specific proposals contained in this legislation. One is that wage earners be allowed to