

Income Tax Act

one of the tokens or perhaps bribes the minister has thrown in to make this look even more attractive than it is. If we look at the basic things such as these, we find that once again they help the wealthy in the country more than they help the average person or working man. This increased exemption will probably save the average working man not more than \$100, \$200 or \$300. If a man is making \$100,000 a year, which I suggest is not really a poverty wage, we note that the increased exemption brought about in this bill will save him approximately \$5,400 per year. Once again it is the wealthy person who gains the most by this type of an amendment.

We should be talking instead about tax credits under which a person receiving a middle or lower income would benefit even more than this bill suggests he should. Another little goody that has been thrown in is that item which allows a working man to deduct \$150 a year as expenses. This is good, but again we see there is a ceiling for the working man. That ceiling does not apply to those who are directors of corporations or banks. There is no ceiling of \$150 for people such as that. Again, we have the same double standard which our society has had ever since Confederation in Canada.

When this bill was brought in some people expressed a great deal of shock that it did not contain an amendment which would really change anything, and that there were no innovations. I am not surprised or shocked at all. I did not think this Parliament or that political party on the other side would do anything really serious to change the status quo in this country. I am not surprised because they just do not dare tinker with the system as it is in Canada.

The Carter commission report and the white paper on taxation created a lot of panic throughout the business communities of this country. It spread a great deal of panic and concern among the corporate leaders and the many people who are directing and managing large multinational corporations in Canada. As soon as these people expressed concern, a lot of the members stood in this House and defended them. The Leader of the Opposition and members of his party were there almost as certain as day follows night, and very shortly after we found the backbenchers on the Liberal side criticizing the Carter commission report and the white paper as well. They said we are taxing the big boys too much and we will destroy their initiative. This was the type of approach they took.

I am not surprised at all that we have a bill before us today which really does not change anything at all but keeps the status quo. It does not change anything of any importance to anybody in Canada. One of the concerns when the Carter commission report was made public was that if we acted on some of its recommendations, such as taxing the mining companies, those in the extractive industries and putting on a capital gains tax, we would destroy the initiative and the incentive of these people to develop the country. What kind of incentive or initiative do the unemployed or poor people have today when they have to carry the tax burden and are forced to foot the bill? We seem to be so concerned about protecting the huge financial institutions and the big boys in Canada, but we forget about the 80 per cent or 90 per cent of Canadian people who do not make a living or income from investment but have to work for a living.

We have in Canada what you might call a system of socialism for the rich and free enterprise for the poor. We have many protections in our society for those who are wealthy, but still we say to those who are not that they should get out, work hard and be successful. I am not surprised at all that the bill before us today is one that does not really change anything and does not challenge any of the fundamental beliefs our society has held sacred for so many years. In my position as a Member of Parliament from Saskatchewan and a member of the NDP, I owe nothing at all to the industrial or corporate sector, so I do not hesitate to rise in my place and ask that it be treated like ordinary Canadians and pay its own fair share. Most of the people in my constituency feel the same way about this. They feel it is about time we did put some fair tax on the mining industries and adopt a full capital gains tax. They feel it is time we did many of these things to lift the tax burden from the ordinary Canadian, thereby encouraging him to get more involved in the society and economy of this country. We do not seem to be doing that. We need some fundamental changes, but these changes do not seem to be forthcoming from this government or this Parliament.

In Canada we have from one-quarter to one-third of our population living in absolute poverty. What are we doing about this? We are now worried again about inflation and the Secretary of State (Mr. Pelletier) says we have to make sure our economy does not expand too rapidly. What are we doing about those people who do not have jobs? We must consider their families and the tremendous effect it has on them. It is very easy for us in this Parliament to get up and throw around statistics and facts in respect of how well we are doing. It is easy for us to say we have increased our productivity a little bit over the last two years and we are going to expand, but we seem to forget about the real world outside and the people now living in poverty. Perhaps this is because Parliament is not really representative of the Canadian people. The people in this House are much wealthier by far than the average person in the country. As a result perhaps we do have a different perspective, different sensitivities and different ideas about solving the problems of the country. Perhaps it is all too easy for us to shrug off the problems of high unemployment and poverty in Canada.

We have literally millions and millions of people in Canada living in a state of absolute poverty. In the report written by the four staff members who left the Senate Committee on Poverty it is stated that the gap between the rich and the poor in Canada has not changed over the last 20 years. If we are to provide any real opportunities for these people who are among the poor in Canada we must begin by bringing in some real tax reforms. These people would really then have some opportunity.

The top 20 per cent of income earners in this country earn nearly 40 per cent of the total income. The bottom 20 per cent earn slightly less than 7 per cent. This, in itself, paints a very vivid picture of who is reaping the benefits of the society in which we live. It is not only the poor people who are suffering, but the whole country, because of the type of policies we consciously pursue in Canada. The Economic Council of Canada has suggested we have lost billions of dollars because we do not have full employment in this country and because we are not providing