

Income Tax Act (No. 2)

I keep on quoting:

But in the mercantile system, the interest of the consumer is almost constantly sacrificed to that of the producer;—

We think of the producer of wheat, of milk, of the fishermen, the producer of cherries. I almost suggested to put more cherries on the black automobiles one sees in the streets. What is black, has a cherry on top and two cucumbers inside: a police car! Let us put two cherries, that will increase consumption, production.

I keep on quoting:

—the interest of the consumer is almost constantly sacrificed to that of the producer; and it seems to consider production, and not consumption, as the ultimate end and object of all industry and commerce."

Adam Smith said that and he was not a Creditist. He was a man who could see through the economy of any nation. The Wealth of Nations, what is that? It is consumption, it is the consumer. Therefore, if we as legislators pass legislation in order to help the consumer, of course, as a consequence, the latter will help the producer by buying his products and if the producer sells his products, I challenge anybody to prove that he cannot increase production today.

Mr. Chairman, all producers do not have production problems; they have distribution problems and the only way of distributing is to increase the purchasing power, to improve the consumer's purchasing power system. Everything must be tailored to consumption. We have been saying it and repeating it for a long time. It has not been understood yet. Some are thick-headed.

Mr. Chairman, these are the few remarks I wanted to make. Through this bill, the government believes it will create jobs. We will support it. Absolutely! Private enterprise must be helped to produce more. But, I think the government is not being consistent because there is no provision in the bill that will enable the distribution of goods that will be produced in large quantities.

Mr. Chairman, in voting for this bill, we will give our confidence to—

The Assistant Deputy Chairman: Order, please. Perhaps I could ask for the unanimous consent of the House to allow the hon. member to continue because his time has expired.

[*English*]

Is it agreed that the hon. member shall have a few more minutes?

Some hon. Members: Agreed.

[*Translation*]

Mr. Caouette (Témiscamingue): I thank my colleagues, Mr. Chairman, for allowing me to proceed with my remarks.

An hon. Member: Even the socialists!

Mr. Caouette (Témiscamingue): —even the socialists. They are nice at times, but I think that it is rather in their interest to allow me to go on, because this will enable them to understand something.

[Mr. Caouette (Témiscamingue).]

Seriously, Mr. Chairman, Bill C-192 may, after March 31, 1974, on request by 60 members, be revised or recalled. The tax reduction may disappear entirely if we find out that it does not give the results expected by this government and the Minister of Finance.

I suggest and I am quite sure that they will not have to wait long after March 31, 1974 before 60 members rise in this House and tell the government: Listen, unemployment is on the rise again, production is not selling. There is the problem, production does not sell.

I hear economists say that we must increase productivity. There is already too much of everything. Take any industry in Canada; there is too much wheat, too much milk, too much clothing, too many dresses for ladies, too much food, etc.

The only thing which is lacking is the purchasing power. They catch too much fish in the Maritimes and in British Columbia. At noon today, some NDP members were stating that there is too much wood, too much of everything. Mr. Chairman, have you ever heard of a worm inside a big apple dying because the apple is too big? Never.

And yet, in Canada, there are people in distress because we have too many goods; if there are unemployed people, it is because we have too much of everything. We are being told: Hire them, and we shall pay part of their salary. We have too much of everything, too many unemployed people, too much to eat, too much to wear.

Mr. Chairman, we have been playing long enough with that folly and several thousands of homes across Canada lack what is necessary. When our leaders will have had enough, when the government and the Minister of Finance will seriously study the problem instead of listening to old-fashioned economists, he will look at the future of Canada to put wealth at the service of all Canadians, not only of one group, but of all the citizens.

I did not outline the objective in 1931—this is 42 years ago—but Pius XI said in *Quadragesimo Anno*:

The economy—

—this is what we are talking about—

The economy will be sound and really reach its objective only when it will provide for each and everyone his share of the goods the nature of God and the industry of men can supply.

Manufacturing and processing industry, with the nature of God who makes it possible for our land to produce and for our plants to operate... will provide for each and everyone his share of the goods nature and industry can supply. This share, he said, should be sufficient to ensure everybody at least honest affluence.

We will not become millionaires, we will not all be on an equal footing, but we must guarantee at least everybody honest affluence. That is the origin of our suggestion in our last election campaign program to give a guaranteed annual income to everybody regardless of his position.

Those who earn much more will pay much more taxes but up to a certain level. There should be a deduction of \$5,000 for married people and of \$500 for each child and a deduction of \$2,500 for single persons.

Mr. Chairman, what is this policy of guaranteed annual income worth and who is going to pay for it? Our production can take care of that. I am convinced that there is no