

*The Budget—Mr. Caouette*

government will distribute \$925 million more but that it will take \$1,125 million more from the taxpayers. Older people are going to get something!

Last year, 1,300,000 Canadians were looking for summer jobs. This year, it has just been announced that 1,400,000 young people will look for summer employment. It is assumed that 400,000 of them will find something, but this means that 1 million will not find employment. What are we going to do? What benefit will these unemployed young people get from this budget? They will be able to deduct \$50 per month from their income, but they won't earn a cent. The minister should start by paying them these \$50 so that they can pay them back later.

**Mr. Béchard:** You should read the budget statement in full.

**Mr. Caouette:** The hon. member for Bonaventure-Îles de la Madeleine (Mr. Béchard) suggests that I read the budget statement. But with \$50 a month deductible, or \$600 a year, if the young person earns nothing, how is he going to pay?

**Mr. Béchard:** Read a little further!

**Mr. Caouette:** There is nothing in the budget which says that the government is going to assist students, absolutely nothing.

I have duly established my allegations. I have just read three letters from the Secretary of State. We have no money! Out of the 19,000 projects, only 700 or 800 will be accepted. There you have it.

**Mr. Béchard:** There were none before.

**Mr. Caouette:** Let the hon. member for Bonaventure-Îles de la Madeleine go and explain that to his constituents to find out whether they will believe him.

**Mr. Béchard:** I already did.

**Mr. Caouette:** The party in power grants us a basic annual exemption of \$1,500—approximately \$30 a week. For a married couple, \$2,850 a year represent \$55 a week. The old age security pension, together with the guaranteed income supplement, come to a total of \$150 per month.

What the hon. members of the Social Credit party suggest—something which should have been granted a long time ago—are basic income tax exemptions of \$2,500 for single people and \$5,000 for married couples.

What we also suggest in order to boost the purchasing power of the public so that the industries and the large corporations may sell their products is to grant a discount on the retail price, a discount compensated by the federal government to the industry.

If on a purchase of \$1,000 the government were to allow a 20 per cent discount, the cost would be \$800 instead of \$1,000 and the consumer's purchasing power would be increased with no effect on the cost price of goods. This would bring retail prices down and the government would compensate retailers for the discount granted to the consumer. Because of this greater purchasing power, obviously industry would sell its products.

Increased buying power would obviously foster sale of products. With industry selling its products, obviously there would be new jobs created, new machines, new techniques used, etc. That is sheer common sense! It would be logical to finance production through consumption. But instead of that, we keep on supporting production and ignoring consumers. They are not organized to benefit by an increase in their buying power.

Failing distribution of dividends, prices should be brought down, with the government giving a discount to retailers.

Furthermore, we want to change the present welfare system throughout Canada. I discussed this in the West and in the East, saying the same everywhere. Welfare, as now operated, is an encouragement to sloth and fraud. Some people receive welfare benefits and do not deserve them while others, badly needing them, get none. Laziness and fraud are being encouraged. People are being told: Stay home, don't move. Should you work at all, you will lose your benefits. That is how fraud is being encouraged.

Recently, a Montreal mother was arrested for having received during the previous year over \$12,000 in welfare benefits. She had registered her family at all welfare offices in Montreal and was drawing a cheque from each of those offices. At the end of the year, I believe the amount was \$12,678.

**Mr. Béchard:** There is no spiritual director for the city of Montreal.

**Mr. Caouette:** I will send the hon. member for Bonaventure-Îles de la Madeleine as a spiritual director to the city of Montreal, because one is badly needed there.

Mr. Speaker, we believe the whole welfare system should be replaced by a social security program including basic exemptions as far as personal income tax is concerned as well as economic security benefits to everybody. As for young people of 18 or over, including the students who are sending projects to the government, instead of having them cut branches along highways or maintaining them I don't know how, they should be guaranteed a yearly income to enable them at least to go back to school when courses will resume in September or October.

We call for a \$1,200 grant per year for any citizen of 18 or more and \$250 per year for those under 18. In the case of children, an amount of \$250 per year represents a little more than \$20 per month. Married people should also get a guaranteed yearly income of \$2,500, not an income granted only if they do not work, but an additional income to the one they can earn.

People with a \$3,000 or \$5,000 income will receive in addition \$2,000, \$3,000 or \$3,500. Apart from encouraging people to work, this will promote honesty, because people will know that they do not have to hide in a bedroom or elsewhere to work, so as not to be caught and lose their welfare benefits. Therefore, this would encourage people to be honest and to work. Nobody will ever refuse to earn something if they are encouraged to do so.

Mr. Speaker, instead of 600,000 unemployed people in Canada, we probably would have only 100,000 of them, or less than 50,000. These people would be working and