The Budget-Mr. Harding

weakness. No government is always right, just because it received majority support in a certain election.

In a minority situation the government of the day is forced to make major adjustments. For this reason, some of the best legislation ever passed in this country came during a period of minority government. I would remind hon. members that our old age pension legislation in 1926 was brought in to accommodate a minority group of progressive members who supported the government of that day on the condition that old age pension legislation would be one of the items passed by the government. During the last 10 or 12 years some major pieces of social legislation were also processed through the House of Commons under minority governments. Some of the important legislation passed under minority administrations included family allowances and our national medicare plan. Good legislation can also come out of the present minority situation if the government is flexible enough to adjust to the current political situation.

I would like to make my position on the current budget crystal clear. Our party has agreed to support generally the budget of February, 1973, and feels that most of the proposals stemming from it would be beneficial to the Canadian people. Our group voted solidly against the budget of last year, primarily because of the corporate rip-offs which it contained. I, personally, see no reason to change either my opinion or my vote so far as the corporate rip-offs in the May 8, 1972, budget are concerned, and I have no hesitation in stating that any bill containing corporate rip-offs which comes before the House of Commons will not receive my support.

The last general election date was less than four months ago. It resulted in a minority government. The Canadian people do not want another election immediately, despite the minority situation in which we find ourselves. They want the elected members and the parties to try to make this parliament work. We are being asked to make every effort to solve the serious national problems facing us, and to try to produce good legislation for the Canadian people. Our NDP group has decided to give the minority government an opportunity to produce this type of legislation and we will base our support and decisions on each piece of legislation as it is presented to the House of Commons.

• (1550)

One thing has become crystal clear since this session opened just over seven weeks ago. The Conservative party has no intention of trying to make parliament work. It has only one goal in mind, and that is to take over the reins of government. Its obstructionist and delaying tactics are deliberately designed to prevent any good coming from this minority government situation. The lust for government office by this power hungry group of Tories is really something to behold. Their drive for power has become an obsession and this fact has not been lost on the Canadian people.

Last November, our NDP group met and drew up a list of eight objectives which we felt this new parliament should work toward. The Throne Speech indicated that action would be taken in all the areas outlined. The budget presented one week ago, makes some progessive moves in this direction, and for this reason I will support the motion on the budget when it comes to a vote this coming Wednesday. I trust that all the legislation to implement the progressive measures outlined in this budget will be introduced and dealt with as soon as this debate is concluded. This legislation is needed and should be given top priority by the government and by the committees which will deal with it. Early action on these measures will also show the Canadian people that parliament can work and pass progressive legislation in a minority situation.

Perhaps the most widespread benefits from the budget will come in the area of income tax reductions. These will be retroactive to January 1, 1973. The proposed 5 per cent reduction, with a minimum tax reduction of \$100, is a welcomed tax relief, especially for those in the lower income brackets. When this tax cut is combined with the increased exemption to \$1,600 for single people and \$3,000 for married couples, along with the plan to index the personal income tax system and so end the erosion of purchasing power resulting from the interaction of inflation with the progressive tax system, I feel we have measures which can be supported by all members in the House.

The increase in the basic old age security pension to \$100 is another move in the right direction, although this government has the financial resources which would have enabled it to raise the basic old age pension to a much higher figure. Our group has been pressing for a basic old age pension of \$150. We intend to continue our campaign until we reach this goal. The raising of the basic pension, however, will help all pensioners, including those who were unable in the past to get any of the guaranteed income supplement. In addition, the combined old age security and guaranteed income supplement which becomes \$170 a month for a single person and \$325 for a married couple, again raises the monthly amount a little closer to an acceptable income goal.

The war veterans allowance, and the civilian war allowance which will be increased to a minimum of \$150 per month for single and to \$257 for married recipients is long overdue. With this goes the raising of the guaranteed income for those veterans over 65 to \$206 per month for a single and \$357 per month for married couples. As I said earlier, these benefits are steps in the right direction and certainly warrant support.

Despite many of the good features which I have briefly mentioned, the government's financial policies are not adequate to deal with the serious unemployment situation facing us. Canada has the highest unemployment rate of any industrialized country in the western world. The present budget is not sufficiently expansionary to really do a job of drastically reducing the unemployment rate in Canada. The fear of further inflation throughout the country apparently led the Minister of Finance to cut down on expansionary measures which many economists feel are needed at this time. I am of the opinion that the major problem facing us today is unemployment and budgetary measures should have reflected this to a greater degree than we find in the present budget. I suggest the Minister of Finance should closely study this situation over the next few months and, if necessary, make the