

consumption and we were twice as happy to learn that the federal government was investing \$60 million for the Prairie producers. About 175,000 western farmers will benefit by that two-price system.

Now, Mr. Speaker. I would ask the hon. member for Brandon-Souris, if he claims that he is knowledgeable in agricultural matters, as he did a moment ago, to at least come to the meetings of the Committee on Agriculture. I have often chaired that committee, I am its vice-chairman since 1968, and I challenge the hon. member to prove that he came at least once to its meetings to outline his proposals for the improvement of the lot of western producers.

Now, Mr. Speaker, what are the major budget measures which will promote the growth of our manufacturing and processing industries? Such measures have been considered within the framework of a new industrial policy. The creation of new jobs will be directly proportionate to the growth of our Canadian industry and to—

[English]

Mr. Dinsdale: Mr. Speaker, I rise on a question of privilege. I was not aware that the hon. member was addressing remarks to me in the first instance. He has asked me to say whether I have been present at the agricultural committee's meetings. I would inform the hon. gentleman that for 15 years I was a member of the agricultural committee. I am not at the present time a member of that committee, but I am devoting my time to three other committees. I think even he, as a comparatively new member of the House, would agree that a member who sits on three committees is doing all he can with respect to committee responsibilities.

The Acting Speaker (Mr. Laniel): I am sure the hon. member will understand, although an invitation was issued to him by the hon. member for Laval (Mr. Roy), that he cannot take up too much time during the hon. member's speech. The point he has raised may not be a point of order but it is a fair answer to the request that was made.

[Translation]

Mr. Roy (Laval): So, I go on to say that the creation of new jobs will be directly proportionate to the growth of our Canadian industry and to the involvement of the business community.

Among those measures, let us point out, first, that the cost of all machinery and equipment bought by a taxpayer as of May 9, 1972 and used for the manufacturing or processing of goods to be sold, will be written off in two years. It is therefore a tax deduction of the order of 50 per cent of the cost of the asset during the year of acquisition.

Furthermore, effective January 1, 1973, the highest corporation tax rate applicable to profits earned in Canada, in manufacturing or processing, will be reduced to 40 per cent. This represents a decrease of the order of 10 per cent.

Likewise the small manufacturing or processing concerns will have their income tax reduced from 25 to 20 per cent. The fiscal treatment given to such companies will now compare quite favourably with that existing in other countries, especially the United States and the extended common market.

The Budget—Mr. M. Roy

So it is to be expected that such measures will lead to substantial incentives for the establishment of new manufacturing plants in Canada and for the development of those now existing, by increasing the income which the investments will finally produce.

This budget also gives justice to elderly people and to veterans who suffer deeply from inflation and who unfortunately have no means of protecting themselves against this calamity. Elderly people as well as veterans will no longer have to suffer the hardship of a diminishing standard of living thanks to the increased old age security pensions. In other words, we eliminate the current yearly escalation ceiling of 2 per cent so that on April 1 next year, the maximum benefits will be consistent with the total increase in the cost of living; 1,800,000 Canadians will benefit from this new policy which will cost \$120 million.

In addition to escalating the old age pension to take into account the rising cost of living, we have two other measures in favour of senior citizens. Starting January 1, 1972, the monthly maximum benefits under old age security and the guaranteed income supplement will go from \$135 to \$150 for single people and from \$155 to \$285 for married couples. One million people will benefit from this new policy at a cost of \$180 million.

Moreover, the income tax social exemption granted to those aged 65 and more which the government recently boosted from \$500 to \$650, will now be \$1,000. This exemption will also be granted to taxpayers confined to bed or wheelchair and to the blind.

This year is quite important for the senior citizens residing in Canada. Exactly 20 years ago, the right hon. Louis St-Laurent, Prime Minister of Canada, presented to this House a bill on old age security pensions. This program has been modified and is now considered as second to none in the world.

No country in the world can compare advantageously with Canada as to the way we are treating our retired citizens. In fact, in January 1952, the Liberal government introduced in this House a bill granting to those aged 70 or more a monthly pension of \$40. Now, 20 years later, the government has reviewed this program and is granting to those 65 or more a monthly income of \$150 or \$1,800 a year and to married couples a monthly income of \$285 or \$3,420 a year through the old age security plan and income supplement.

It is noted that more than 50 per cent of improvements to old age security pensions have been implemented under the present government headed by the right hon. Prime Minister (Mr. Trudeau).

Older citizens living in Ville de Laval will have access to a home for the aged. The federal government will earmark \$2,137,500 for a centre called Manoir des Îles on Paton Drive in Chomedey, Ville de Laval. This construction, the total cost of which is \$2,250,000, is administered by the government of Quebec under an agreement between the Central Mortgage and Housing Corporation and the Quebec Housing Corporation.

In the process of contributing to a more just society, the main changes to various welfare policies have been the implementation of a selective rather than universal