

*Adjournment Debate*

As the Secretary of State for External Affairs (Mr. Jamieson) said in the House on November 30, a good deal of work is already under way with regard to the preparation of documentation leading up to the Belgrade Conference next year. We shall be giving some thought as to whether or not the Soviet action to increase duties on gift shipments will be included in our documentation.

When we have concluded our investigation we will consider what further action, if any, might be appropriate.

May I add that a couple of months ago I accompanied the Secretary of State for External Affairs on a trade mission to the U.S.S.R. At that time an important protocol was signed with the Soviet minister of trade, Mr. Patolichev. He indicated that he wished to see relations with Canada improved not only in trade but in all other ways. May I suggest to the Soviet authorities that acceptance of the proposition put forward by the hon. member is one way in which these trade and other relationships can be improved, and improved very quickly.

FINANCE—POSSIBILITY OF BUDGET BEFORE FEBRUARY—  
GOVERNMENT POSITION

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, last Friday, in the true Christmas spirit, I asked the Minister of Finance (Mr. Macdonald) whether he could tell us if there was any hope of a new budget some time in February, or before, or even later. The Minister of Finance, in his response, dwelt on the word "later" and said there would be a budget within the first six months of 1977.

Continuing in the spirit of Christmas I should like to make a few observations on my reasons for asking whether there would be a budget brought down before the end of February. With this in mind, I should like the minister or his parliamentary secretary to assure us that there will be no more humbug in their approach to unemployment and economic stagnation in this country.

First of all, may I express the hope that in offering a new budget—and a new budget is certainly needed—he would show a softening of the hard heart he appears to possess. May I suggest that this budget include a Christmas present, if you like, of unprecedented scope—a tax cut, as we have been advocating in this party since last May. The minister, in a new found spirit of humanity and humility, and, as I have suggested, in the spirit of Christmas, might give a 10 per cent tax credit to all those earning \$8,000 or less, and a similar credit to those earning between \$8,000 and \$16,000. Such a gesture of good will would put a \$100 bill in the Christmas stockings of those in the lower income tax brackets. From the taxpayers of this country—everyone of us a Tiny Tim in relation to this mighty government—might still be heard across the land "God bless us, everyone".

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These cuts would increase real wages for employees and would provide badly needed stimulus to the economy, which in turn would result in more jobs for Canadians. For the 760,000

[Mr. Poulin.]

unemployed in this country, this would be the brightest Christmas present of all.

As it was confirmed this afternoon by the Minister of National Revenue (Miss Bégin) that aggregate personal income tax revenues may increase between 10 per cent and 50 per cent faster than the GNP, the Minister of Finance may well say, as his namesake, the hamburger chain, reminds us, "You deserve a break today—from Macdonald".

While the Christmas mood still holds sway over our hard-hearted finance minister, we might also suggest he consider a small incentive to small businesses by way of thanking them for all the forms and statistics they are required to supply to the federal government. These small businesses, most of whom are also Tiny Tims, desperately need an incentive to help them compete more effectively at home and in the international export market.

The minister might also prove to the retired or soon to be retired that Santa Claus does indeed exist in the hard heart of this administration, and allow the convertibility of RRSPs at retirement into a personal trust without the necessity of purchasing an annuity which is often less advantageous. Imagine the surprise of our senior citizens in finding that Christmas is not merely for the young!

The minister could grant to Canadians the one request that tops everybody's Christmas list this year—the speedy end to the government's wage and price control program which has had a marginal effect on the cost of living, yet costs over \$22 million a year to administer and which is proving increasingly more counterproductive. Certainly such a change of heart would be regarded as a first class Christmas miracle.

Perhaps we might even persuade our Minister of Transport (Mr. Lang) to join in the holiday mood and take Air Canada—first class if he wishes—rather than those \$7,000-a-flight government jets. If Santa can get by with a few ancient reindeer and a sleigh, surely Otto can tough it out with Air Canada.

Finally, our Christmas wish suggests that "Old Thumper" and the ten provincial finance ministers when they meet at the end of January should invite Santa Clause to chair their meeting to ensure that all, especially Thumper, keep the proper spirit and agree to get along together.

These things accomplished, we feel that the nation will truly face a brighter and more prosperous new year and, like Bob Cratchet, we can also say, "Merry Christmas to all!"

**Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance):** Mr. Speaker, I am not as big a target as Big Mac, and unfortunately, although my heart is wrenched by what the hon. member had to say tonight, I cannot offer the enormous tax cuts he has asked for, and I cannot remove the anti-inflation controls, but I can tell you this, Mr. Speaker, we would not be thanked by the people of Canada if we were in a position to dole out the kinds of tax cuts that he described to all sides, putting hundreds of dollars in everybody's pockets, if they turned around and went to the market place with them and found the other side of the coin, the inflation generated by