

The Budget—Mr. Low

will cause hardship. All my colleagues are in thorough agreement with that. I am further opposed to it because it will impose hardships upon already over-burdened people in the lower income groups of our population and because it denies our people the advantages they should be getting from technological developments throughout the world.

As we go along we are inventing new methods of manufacturing, better materials, new types of machinery that can make things faster and cheaper than ever before in history, and yet the people of the country cannot have the advantages of this type of progress because the government insists on coming in and putting on such dreadful things as a pyramiding sales tax. Prices are going up and up, and continue to do so. They will continue to do so as long as we persist in following the present outmoded and foolish practices in our financial operations.

I am also opposed to what appears to be an inclination on the part of this government to convert as many direct taxes as they can into indirect and hidden taxes. That is not a sound thing to do. If the merchants of this country were to show the price of every article they sell to the public in two parts, the actual cost less tax on one side and the total taxes applying to the article in separate figures on the other side, which when added together would be the cost to the public, the people of this country would soon change the policy of the Minister of Finance. It might be a right good thing to have done.

There are very few up-to-date and comprehensive studies available to Canadians to inform them about the economic effects of the incidence of our various taxes. I have made quite a search in all the libraries I could contact and I have found that such studies are not common and are few in number. I think the government owes it to the people and to themselves to provide some money for the making of a thorough survey by competent students of our sales tax, income tax both corporate and personal, excise taxes and tariffs. The people of Canada have every right to this information, and certainly the legislators of Canada sorely need it if they are to do a good job of governing our country.

The special excise tax of 15 per cent on refrigerators, electric stoves, washing machines and certain other household electrical appliances is a discriminatory tax. Not only does it impose a higher cost of living on many people but it is also a discriminatory tax. It singles out especially young people who are just now trying to set up housekeeping. Goodness knows there

have been enough impediments put in their way without having this discriminatory tax put upon them. What with sky-high prices for ordinary essentials, scarcity of building materials, lack of housing, high rents, and scores of other things, my gracious, anybody with half an eye can see that these young people should not be burdened any further. Anyway, I ask the minister: Why single out the electric stove, power washer and refrigerator and call them luxuries in this day when in many places, as was so well pointed out by the hon. member for Rosetown-Biggart (Mr. Coldwell), there is no other choice? That is true of many places in Canada. These young people will be forced to pay \$16 million more this year on these few items alone to get started in housekeeping than they would have had to pay last year. Does anyone say that the budget is not inflationary to them? Of course it is. As the hon. member for Macleod (Mr. Hansell) says to me—this is the Liberal wedding present to our young Canadians.

Furthermore, can anybody justify a tax that discriminates against certain sections of the Canadian population? In my judgment no discriminatory tax can be justified in this or any other country. Here is one bit of revenue—it is only \$16 million—that the government really did not need, so why did the minister not find some fairer way of limiting the use of scarce steel and other metals than this unfair way? He has budgeted for a surplus of \$30 million.

I turn for a moment, Mr. Speaker, to the cost of living. Since I spoke in the debate on the cost of living early last week there have been fairly strong indications that organized labour, civil servants and others are beginning a drive for further wage increases to offset the recent great increases in the cost of living. The index for March shows a rise of 4.5 points over the index for February. As you will recall, the index for February showed an unprecedented rise over the index for January. Indications are now that the index may continue to rise further in the months ahead of us. Certainly the situation will not be improved if further wage increases are sought, no matter whether or not they are given. If wage increases are granted when they are sought then of course prices will soar again and inflation will become much more dangerous. If they are sought and not granted, then employer-labour relations may become strained to the point where production will suffer a decline, and that in itself would be a dangerous thing because it would intensify the effects of inflation.