

*Income Tax*

Minister of Finance (Mr. Chrétien) did in his statement, he of course asked us to help this government and to recognize how important it is for the government to regain the confidence of the people. He therefore admitted that the government has already lost much of the confidence of Canadian voters.

The economy, stated the minister, depends in large part on a climate of confidence in business circles and it is essential to pass the bill now under consideration to ensure that climate of confidence. Mr. Speaker, I will deal with this matter for a few minutes.

How is it possible for the opposition to accept readily to support this government when it recognizes the importance and the necessity of gaining the people's confidence, as I said earlier, after so many failures. We would be less than honest if we asked the people to forget what happened and merely say: I think this government is well-disposed now. This government has been running the country for 12 years and for as many years the Canadian people have been expecting measures when they only got promises since 1965, and I am thinking of the just society which was promised to us.

I am also thinking of that great and noble purpose, the reconciliation of all Canadians, but dissension occurred. I am thinking of the undertaking to reduce unemployment in 1968 by almost 168,000 if I remember correctly, while the number of unemployed now exceeds a million; to restore agriculture, while degradation is witnessed in that area, to increase the number of farmers when we know that they are fewer; to increase the net revenues of producers when we know quite well that they have dropped. Excess revenues, gross and net revenues will be mentioned, but the opposite is the truth. To curb inflation! Never before have we known such a serious inflationary trend. We heard about close co-operation with the provinces and it was rather confrontation than consultation. There was confrontation as well with businessmen, the business community and unions. I shall not deal with the security service, since I may have the opportunity to come back to this later on. The behavior of some federal ministers as regards some Quebec members before November 15, Mr. Speaker. I am not referring to that day but to the period before November 15. I recall very well all the arguments we had and the recommendations of their cousins of the provincial legislature which all resulted in negative answers on extremely important matters. Then, one wonders how this famous November 15 ever happened? And the carelessness of our industries! Last week, the Minister of Regional Economic Expansion (Mr. Lessard) referred to federal handouts. There were quite a few, that is true. There were very interesting grants, particularly in Quebec, but there was also in the riding of Berthier—

● (2202)

**An hon. Member:** In the riding of Joliette.

**Mr. La Salle:** Who is speaking of Joliette?

**An hon. Member:** I am!

**Mr. La Salle:** Ah! That is another story, excuse me. I say several industries disappeared, but we are not told why it happened. Efforts were made to set up new industries, but unfortunately, the Canadian production in several industries disappeared or declined. Now, how could we forget, how could we trust this government which comes to us and says: There now, this time we are prepared to act properly. Therefore, a lack of estimates for research equals a lack of a long-term policy. And for the past 12 years, they have been wondering what was going on or they have just not cared. And recently, in a joint committee, Senator Lamontagne, who is not a Progressive Conservative, blamed the government in direct and strong terms for allowing a decrease in research funding. Therefore, how can this government ask us to have confidence in them, how can they be serious when they introduce a few more budgetary measures, fully aware of the fact that the predecessors of the present Minister of Finance sadly failed in all their projections, and as far as I know, unless some changes occurred, the same analysts or economists are probably preparing the background papers for the present Minister of Finance. Once again, we are being asked to trust this government which gave us abundant proof of its failures.

Mr. Speaker, you can understand why we are not prepared to comply with the request the hon. member for Chambly (Mr. Loiselle) made a moment ago, to forget the past and look forward to the future. If the past is the guarantor of the future, we must remind Canadians that the coming months and years are going to be difficult ones. Therefore, in these circumstances, Mr. Speaker, we really intend to remind the people of this government's tremendous failures.

I would also like to make some comments about an industry which affects my riding in particular and greatly concerns the province of Quebec, I am referring to the dairy industry. I do not think any reference has been made to this, nor any special funds earmarked for this purpose. But, Mr. Speaker, this is important in our economy; besides, it is considered a very important part of our agricultural industry. I wish to remind the minister of the importance and urgency of providing financial aid for this industry. As far as agriculture in general is concerned, promises have been made. The Minister of State for Federal-Provincial Relations (Mr. Lalonde) indicated that meetings would be held with the Quebec Minister of Agriculture to discuss Federal government grants to the dairy industry. But, as far as a dairy policy is concerned, Mr. Speaker, great hopes and tremendous expectations have been raised among the people concerned. Enormous hopes have been raised and milk producers have known miseries and problems two or three years ago. They are still refusing—I mean the government—to introduce a program on a five year scale. They have talked about restrictions on cheese imports but let them reach 50 million pounds before making any move and now we are told that we are probably going to reduce those imports. At the same time the production capacity of milk producers has been reduced.

We did not even protest against powdered milk competition from the European Economic Community under the pretext