

The Minister of Finance said in his budget speech that 750,000 Canadians will no longer pay income tax beginning in 1973. Why? Because they are too poor to pay any. They were not paying any either before. The basic exemption has been raised from \$1,500 to \$1,600 for single people, and from \$2,850 to \$3,000 for married people. It should have been raised to \$3,000 for single people and to \$5,000 for married people. The exemptions are far from logical. The cost of living is several points above the basic raise as agreed to; there is thus nothing in this bill to increase the taxpayer's buying power. It is in fact just window dressing.

As the hon. member for Edmonton West (Mr. Lambert) has said, the removal of the 10 per cent tax on food, chocolate and soft drinks is a mere crumb from the government's economic table.

The increase in old age security pensions from \$82 to \$100 is not in line with the increase in the cost of living, and it must not be forgotten that every increase in pensions under the present system merely contributes to a further raise in the cost of living, and sets the economy on a suicide course. No basic remedy is being applied to stabilize the economy. All this will only destabilize the economy and make life harder for Canadians, as well as bringing with it a \$2 billion deficit.

Some are saying that we should not get concerned about a deficit, but when there is a majority government they will say: We must balance the budget. There is no longer any reason to accept a deficit. Then they will raise taxes and duties and cut back on public works for two, three or four years in an attempt to "rebalance" the government's budget. But they will be "unbalancing" the budget of all Canadians, because there is no happy medium in our present economy.

Mr. Speaker, in the same proportion as production is automatic, consumption must be distributed by the same technical and automatic means, by issuing new credits in order to keep pace with new public developments, and these credits must or should be issued at administration cost and reimbursed at depreciation cost. Credits should then be issued to redeem bonds as they mature in order to lower the federal public debt which is of \$48 billion, in addition to the other debts of Canadians.

Mr. Speaker, in this budget, if the government really wanted to prove equal to the task, it would have cancelled at least the 11 per cent tax on building materials. The government would then have directly contributed to give purchasing power to taxpayers, to families who need houses to have a decent lodging and who cannot own one because of the 11 per cent sales tax on building materials.

Moreover, when money is needed to finance the purchase of buildings, several people pay from 10 to 12 per cent interest to the Central Mortgage and Housing Corporation. Over seven years, the interest doubles the capital; over 40 years the buyer has to pay five times the price of the house and we find it is natural. We do not say a word. The budget mentions nothing about it and it is said that one of the most beautiful budgets in Canadian history has been presented.

Mr. Speaker, this is a beggar's budget, made up of bits and pieces, which yields only token benefits; it is a patch-

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work budget, because this is not the kind of budget which will help the Canadian people to pay their debts and get back on their feet and which will enable our country to grow and to develop. Far from it, Mr. Speaker.

As for Canadians—politicians, journalists, economists, accountants, administrators—may I remind them, as an observer of the economic and monetary situation in Canada, since the government founded the Bank of Canada in 1934, as a result of many Royal Commissions such as the Stevens and Turgeon Commissions, and of inquiries on textile products and on the banking and financial systems, that in 1934, national production was only \$4 billion; it amounts today to \$102 billion and in 1973, it will reach \$114 billion, which means \$5,000 per capita.

We are told that we often speak about money, and that money does not grow on trees, but still, money grows somewhere! Money grows within the government, thanks to technical and legislative processes which are controlled, planned and administered, and based on the national production of goods and services as well as on the needs of Canadian citizens.

Since 1934, our whole country has been steadily progressing and moving forward. We could feel quite satisfied in respect of our natural resources, the work of people and the talent of those who administer work and capital. All of us enjoy more or less this continuous development.

Mr. Speaker, even though in all papers and reports of public meetings one can read articles about inflation, unemployment and poverty, that is no reason for brooding and crying blue murder. All these problems of inflation, unemployment and poverty are nothing more than problems of economic unbalance in the flow and distribution of money between overly rich and overly poor institutions.

Through a simple readjustment of the economic direction of government, balance would be restored and everybody would be happier. Only the repeal of the legislation on the dollar-unit would be left.

Sufficient unto the day is the evil thereof and the joy thereof. Let us be positive!

If there is an unemployment rate of 7 per cent, 93 per cent of the people have a job. If there is 25 per cent of underfeeding, there is therefore 75 per cent of overproduction. If there is 40 percent of capitalization—

The Acting Speaker (Mr. Boulanger): Order. I regret to interrupt the hon. member, but his time has expired.

[English]

Mr. Ian Watson (Parliamentary Secretary to Minister of State for Urban Affairs): By custom, Mr. Speaker, the budget debate allows Members of Parliament almost complete latitude in their speechmaking, and I trust you will allow me to talk about some of the particular concerns I have regarding the role of Members of Parliament as representatives of the people and, more specifically, the member of parliament's role on parliamentary committees and the role of parliamentary committees themselves.

When Canadians elect Members of Parliament to represent them here in the House of Commons, they legitimate-