

*Income Tax Act*

are selling a bad product there is nothing like putting it in a good parcel and gift wrapping it.

You can call a political doctrine anything you like just as long as you do not cheat me out of my personal freedom. Call it anything you like. If you call it strong socialism and give me the right to free enterprise under that name, fine and dandy, but do not call it free enterprise and end up with socialism. That is apparently what we are trying to do. Do not cut back on the armed forces and save money by this cutback and streamlining if it will cost the taxpayers ten times as much later to try to get the necessary force to help defend the North American continent. That is poor economics. Do not tell me that you are going to save money by cutting back on defence spending and then spend millions of dollars to house a bureaucracy. This is the type of waste I am talking about.

What does federalism mean to the Prime Minister? I want him to tell me. I want the Minister of Finance (Mr. Benson) to tell me tonight why it is that the burden of stopping inflation should always fall on the wage earner or the small businessman. I want to know why the burden of taxation cannot be more effectively distributed. I want to know why we do not look into some of the escape routes of waste and luxury living. I do not know, but perhaps some of these world tours people are going on should be taxed. I do not know why there should not be a more liberal—if you will pardon the word—allowance for investment in Canada. Perhaps we should have a family plan by which \$1,000 per family would be exempt from income tax for investment purposes in this country. A great many people do not have the money to invest in Canada. For at least five years I have been advocating that the basic rate of exemption for income tax purposes should be raised.

On both sides of the house I hear people say, "How are you going to do that and balance the budget?" We have had unbalanced budgets before for poor causes. There is no doubt in my mind that something in the order of \$4,000 per family should be the basic exemption for income tax purposes today. We could find other ways to raise the money. One would be by having the people go back to work. It is not a good enough answer to say it is difficult to raise the money. If the present administration has sufficient imagination it could do it and, if not, it should hand over the administration to us again like they did in 1957 when we did find some of the answers.

[Mr. Bigg.]

We sold grain, we built railroads and put people back in school. In five years, with heavy spending, we came up with balanced budgets at a time when there was supposed to be a sagging economy. For the last seven years we have had a so-called buoyant society. The radio is silent about it and the television is silent about it.

• (3:20 p.m.)

**Mr. Benson:** Would the hon. member permit a question?

**Mr. Bigg:** Yes.

**Mr. Benson:** Would he indicate to me in what year the Tories balanced the budget?

**Mr. Bigg:** I said "the economy". The Minister of Finance knows very well that his question was an attempt to—

**Mr. Benson:** It is a simple question.

**Mr. Bigg:** The Minister of Finance knows perfectly well that in one year we budgeted for a \$700 million deficit but the affairs of Canada were governed so well in that year that we came within \$200 million of balancing the budget, which is \$500 million ahead of any prognostication on the part of the Minister of Finance. Our Minister of Finance in those days was a Conservative and he made a conservative estimate of the income of Canada. At least he erred on the side of truth. When things went better than he thought he was able to present the Canadian people with that tremendous achievement, but the press said nothing nice about him. He was not praised on television, and nothing was said by members on the opposition side. That was one of the finest pieces of financial administration this country has ever seen. It was the start of the boom on which the Liberals have ridden ever since without contributing in the slightest.

The wheat we sold to Communist China, without any need for recognition of that government, helped balance the budget. Their money was good, and the wheat filled the stomachs of Communist children. That is just as close to my heart as it was to Mr. Woodsworth's, or anyone else in this chamber. I do not want to fight wars on empty children's stomachs. Let us not have any suggestion of this type. I should like to see another 500 million bushels sold for the same reason.

I can well remember one time on the platform when I was asked by a radical individual what I intended to do about the hungry