

centre for refugee infants who come down with dysentery, of course, because of the appalling conditions of these camps. Their bodies become so dehydrated that they cannot absorb fluid in the normal way and have to be brought to the centre to have it fed to them through their noses, drop by drop. I thought of that today when I saw that Khan Yunis had been captured by the Israelis.

So to my mind the first thing we must have is a just and generous solution of the Arab refugee problem, without totting up accounts as to whose fault it is and whose fault it is not. They are there—men, women and children. If any member of this house thinks they have not been living in utter misery that is a disgrace to the world, I suggest that he go to the Gaza strip, if we can ever get there again.

Finally, we must seriously take a lead in a vast and massive economic program of development in the Middle East so that once and for all we can perhaps find some salvation, some solution for our guilt in the past in our treatment of these two peoples who today so tragically and in such desperation are flying at each other's throats in an attempt to solve the problems that we created for them.

We have had an amendment from the official opposition which speaks of the sharp increases in government expenditures. I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the amendment be amended by deleting therefrom all the words between the word "taxation" and the words "the sharp increase" and by substituting therefor the following words:

"particularly its failure to revise the income tax structure so that a married couple with an annual income of \$4,000 or less would not be subject to tax; its failure to remove the sales tax from building materials and supplies used in housing construction; and its failure to take any steps to deal with"

Mr. Knowles: Those are the words.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Yes, I see now that they are the words. They did not seem to make sense to me but I see now that they do. It makes as much sense as the Conservative amendment allowed us to make.

Mr. Knowles: A lot more.

Mr. Cameron (Nanaimo-Cowichan-The Islands): A lot more, perhaps.

• (4:20 p.m.)

[Translation]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, the centennial budget introduced by the

The Budget—Mr. Caouette

Minister of Finance (Mr. Sharp) has not had the good fortune of pleasing too many people.

As usual, it was a disappointing budget, a budget through which so much was expected of the government and which, on the whole, has produced nothing concrete.

The night of the budget speech, we heard on television the comments of representatives of the various parties in this house and they were unanimous in their disappointment, except of course the member of the Administration (Mr. Chrétien) who lauded the benefits accruing from the budget to the Canadian people, when the minister announced the elimination of the 12 per cent tax on pills—I do not know if these are birth control pills—and of the 12 per cent tax on pills and drugs sold in Canada.

The only tax which the government dared to touch is one affecting the smallest number of Canadian citizens. When building materials are involved, an important area, the government is powerless. When additional amounts would have to be found, for instance, to meet the requests of the farmers, the government is unable to act. If an increase in family allowances is requested, the government cannot meet the request because there is an accumulated deficit; in fact, at the end of the present fiscal year, there will be an accumulated deficit of about \$740 million.

That is why it is important for the minister not to reduce taxes, not to increase services and to remain at a standstill, except to remove the 12 per cent tax on drugs.

Mr. Speaker, the budget does not reduce either the servicing of the debt which will reach \$1,234 million this year. We can afford to pay those interests on the national debt: \$1,234 million. The defence budget will require \$1,800 million. We can afford to pay that much for national defence, but to increase pensions, family allowances and to help Canada's poor, no funds are available.

And keep one thing in mind, Mr. Speaker. There is now a serious threat that the war between Israel and the Arab countries will develop into a world war. If both belligerents pay no attention to a resolution for a cease fire which the security council of the United Nations would pass, that will mean that Canada may be involved in a third world war. Then, the minister and the government will find the necessary money to take part in the war.

Mr. Speaker, before that takes place, I firmly state that we do not have the financial