

to pay income tax in recent years would now be relieved of that unjust burden. But if all we are doing is taking one million off the tax rolls while also ignoring one million people in this country who are unemployed, then that certainly is not an aid or assistance to this country. It leaves one million people suffering the indignity, the injustice and the misery that is inherent in not being able to support oneself and one's dependents.

Members of this party, and other hon. members have indicated that they would act immediately to process those elements that are in this bill which would relieve the onerous and unfair tax burdens on the people to whom the Minister of National Revenue referred. But we must take action now as well to deal with the problem of unemployment that exists in this country today, and the problems of unemployment that are bound to increase in the months that lie ahead.

It has already been clearly indicated that in presenting these proposals the government has not attempted in any co-ordinated way to deal with the continuing problems of unemployment and poverty that exist in this country. I am very tempted, as one who represents an area where there is an almost continuing problem of high under-employment and unemployment, to talk specifically about the special need for a co-ordinated approach to long-term and hard core poverty in this country. But there has obviously been no recognition by the government that policies must be co-ordinated, beyond speaking about them on occasion.

What has happened to all of the great hue and cry that existed when the Department of Regional Economic Expansion was originally established which suggested that this department finally, after so many years, was going to co-ordinate the economic approaches to the disadvantaged regions not only of the various programs of that department but of many other departments—Trade and Commerce, Agriculture, Finance, National Revenue? In almost every department of government that you can name, there are decisions being taken day by day which, in more than a few instances, simply counteract the attempts that are being made by other programs to overcome the long-term situation with respect to poverty and under-employment.

One would have expected, Mr. Speaker, that in committing itself to any kind of major tax reform the government would have been prepared to say that these reforms were directly related to an over-all attack on the problem of poverty in this country, the problems of the 20 per cent who exist in that grey no man's land of subsistence living, and that they could point to programs in Health and Welfare, in Agriculture and in so many other departments to which these tax proposals were directly related in a co-ordinated fashion.

Yet today when the Leader of the Opposition asked the Prime Minister about the discrepancy between the FISC program introduced yesterday by the Minister of National Health and Welfare (Mr. Munro) and the program of exemptions in this taxation proposal, what did the Prime Minister say? He said that there will be no attempt to co-ordinate the approaches of both these programs, something which it seems so obvious is necessary when dealing with the same two constituent elements. How then can one expect to believe that the government has faced the situa-

tion realistically and is prepared to meet the real economic needs of Canadians?

Time and again it has been said, usually by people on the government side, that no specific proposals have been advanced by the opposition. They have said, "It is one thing to criticize; anybody can do that". I do not really agree with that. I think it takes some level of understanding to be critical, or at least to understand what the real problems are. But they say, "You are critical. So what? What would you do?" That is often the screen used to allow people to ignore all of the suggestions that have yet been made, some of which seem so obvious and so appropriate that one wonders whether hearing has not stopped altogether. It has been said so often that to repeat it almost seems to be repeating an obvious truism, that if there is to be a turnaround in the present unemployment situation direct action must be taken in the area of tax cuts. I am not talking about the kind of piddling 3 per cent action taken by this government in July, which was really only withdrawing something that it had almost illegally and certainly unethically foisted upon the Canadian people much longer than it had a right to do. Unless significant tax cuts are made there can be no significant stimulation of production and of our economy.

• (5:10 p.m.)

I am surprised, Mr. Speaker, that what seemed so obvious to most governments throughout the history of this country should seem almost beyond realization by the government that faces us this afternoon. If one wants to be even more specific, when faced with the prospects of increased autumn and winter unemployment, surely the most obvious area for government action is the cancellation of an item that has been argued by just about every responsible economist in this country for the past couple of years, that is, the 11 per cent tax on building materials. For the life of me, I cannot understand why anyone with any sense of the needs of this country should still have to argue for something that seems so eminently sensible. The favourable repercussions that would occur in the building trades, particularly the homebuilding industry which is so vitally important, seem obvious, yet this government persistently refuses to remove this barrier to increased activity in this field. Why is that so?

An hon. Member: Stubborn.

Mr. MacDonald (Egmont): Is it stubbornness? Is it pride? I recall the Prime Minister saying on more than one occasion that he likes to surprise people and that he does not like to go for the obvious. He is certainly being consistent in not going for the obvious when he rejects removal of that 11 per cent tax.

In the field of manpower retraining, which is very important in terms of the number of dislocations which have occurred in this country recently, there are obvious needs for revision of the act. With other hon. members, month after month I have requested the government to recognize the need for amendments to the Manpower Retraining Act so that many thousands of Canadians now denied further or new training could make use of this opportunity during the difficult months of winter unemployment. But again, Mr. Speaker, such an obvious step is rejected by this government.