

The Budget—Hon. Marcel Lambert

from the past year, with the money supply having to be increased by some 20 per cent. I base this on the minister's own figures. This is something that absolutely shakes us. It is impossible to understand how the minister, his advisers and the cabinet can go along in this sort of smooth, unconcerned way with regard to inflation. Oh, they make polite noises, and they cluck like a bunch of old hens about inflation.

Mr. Gillies: Old roosters.

Mr. Lambert (Edmonton West): The hon. member for Don Valley (Mr. Gillies) suggests that instead of hens they are a bunch of old roosters. That may be more accurate. At the moment the members of the administration act like a bunch of tired old roosters.

The minister prided himself on taking \$440 million off personal income tax, but yet if we look at the tables on page 32, the government of Canada's budgetary revenues under personal income tax are increasing to \$9,500 million, up 18 per cent. Some \$400 million will be saved by some people, but the total system for personal income tax is going to pay \$1,600 million more during the coming year.

There is to be an increase in the tax on corporate profits. There is to be an increase in the yield of some \$1,500 million, up 46 per cent.

● (1540)

Mr. Speaker, corporate income tax comes home in your pocket and in my pocket on the second run. Who is going to pay? Not the corporations, but John Q. Citizen. That is the impact of the tax increase or tax yield. It all goes back to that most infamous and unjust tax system that was foisted on the Canadian public in 1971, the notorious tax reform. The minister's predecessor, now Chairman of the CTC, said he was going to put an increase in yield in this new tax system. The Canadian public has been turned into a Holstein cow of championship calibre to provide all the milk in the way of tax money under this new system. It is almost as if the Canadian public had inexhaustible resources to pay taxes to an insatiable government.

There used to be a minister here by the name of Walter Gordon. He had just taken over when the present minister came to this House.

Mr. Turner (Ottawa-Carleton): And you were Speaker.

Mr. Lambert (Edmonton West): Yes, I was occupying your chair, Mr. Speaker, and was therefore able to observe the hon. minister. At that time the budget barely exceeded \$6 billion, and now we see total expenditures of \$24½ billion, more than four times as much.

Sales tax is an example of how the Canadian public is taxed and of how inflation works. I suggest to the hon. member for Sarnia-Lambton (Mr. Cullen), who is interjecting, that he look at those tables and see how much money he is being soaked, then he will complain about the inadequacy of his salary because his wife has long ago told him that it is inadequate. The deductions in the sales tax that the minister proposes amount to \$390 million in his figures, mostly on clothing, shoes and other items. The funniest thing is that, because of inflation, the yield will be precisely \$15 million more. This is like the old shell

[Mr. Lambert (Edmonton West).]

game and is a consequence of inflation, because unfortunately sales tax is fixed on price levels. These ad valorem taxes go on yielding and they become an embarrassment; then the minister has to give them away.

Then, there is a \$1,400 million bonanza known as the oil export tax. The minister is trying to move in on the resources with this budget, particularly in a couple of provinces. I would be interested to know the minister's reaction had he been a member from the province of Alberta or even had his deputy minister come from there. I have said it before and I will say it here, that I think he has a knife in the back of the province of Alberta.

Some time ago the minister and his colleagues voted for a foreign investment review agency which was to require very few people to run it. I was interested to receive a news release the other day about the appointment of a deputy commissioner who had at one time worked in the government and was now a consultant. I was interested in what they were doing to control expenditure. We have been told about their niggardly attitude and slow progress with the lower ranks of the public service, particularly nurses in government hospitals who waited 18 months or two years to negotiate a new agreement. But here we see what happens when it is something for the boys. The other day members opposite were asking us to support the trade practices commission, another vast bureaucracy, and we have seen legislation for the introduction of Petro-Can, legislation for other commissions, boards, Crown corporations and God knows what.

I would like to read into the record an example of how this government spends public funds to set up the foreign investment review agency. This shows a commissioner in the salary range of \$35,750 to \$43,750; deputy commissioner, \$32,500 to \$41,500; director, registration branch, and there are three of them, \$28,500 to \$36,500; director assessment group, \$25,000 to \$32,000 and two assistant directors somewhat lower; three chiefs of assessment groups, \$22,371 to \$27,966, and then there are a couple of assistant directors. There are 14 positions altogether, Mr. Speaker, in the top level of the foreign investment review agency, and the median salary is \$416,000 per annum without considering support staff.

We were to get a new trade practices commission which was going to duplicate, triplicate, refer back, refer forward, all sorts of reports and at the end of about 18 months consideration they would consider whether there had been any price gouging or improper price consideration. Then, there was to be Petro-Can, and what a refuge for jobs for the boys that was going to be and at what salaries.

If this government wants to show where it can cut expenditures, let them trim some of these agencies. For every executive in the \$40,000 range there has to be a couple at \$30,000, some at \$25,000 and so down the line. There may be 20 or 30 people below, all the way down to junior typists. I say, Mr. Speaker, that this government has failed miserably to counter the effects of inflation. It has failed to protect the Canadian public against inflation. It has failed to go to the root of the problem in dealing with inflation, simply because it wants to buy popularity. In these circumstances, I can only say that I have lost complete confidence in this administration's ability to handle the problem of inflation.