

Income Tax

an estimate of the cost to the government of this proposal, he said he was not in a position to give an estimate. The leader of the New Democratic Party, therefore, has left the House and the country with no idea of the magnitude or cost of the subamendment which he proposes. In our opinion, this is a somewhat reckless and irresponsible stand, a spur of the moment proposal which has not been thoroughly researched. Therefore, we in the Progressive Conservative party have no choice but to vote against this subamendment.

● (2010)

We are talking about the Income Tax Act. Those of us in the Progressive Conservative party believe that the people of Canada are being overtaxed by the federal government. I say this because of figures which are available to all members of parliament, figures which clearly substantiate my claim.

It is interesting to compare the performance record of the present Minister of Finance (Mr. Turner) with his predecessor, Mr. Benson, who by no stretch of the imagination could be considered an outstanding finance minister. For example, let us look at the consumer price index for the financial years 1969, 1970 and 1971 and compare the average percentage change with the present finance minister's record.

In 1969, the consumer price index average percentage change was 4.5. In 1970, it was 3.4 and in 1971, 2.9, for a three year average of 3.6. Under the present Minister of Finance, in 1972 it was 4.8, in 1973, 7.6, and in 1974, 10.9, for a three year average of 7.8 per cent.

Let us take a look at government expenditures. According to the booklet "1974-75, How Your Tax Dollar is Spent", it required \$10,767 million in 1968 to look after the needs of 20,644,000 Canadians. For 1974, government expenditures are proposed at \$26,316 million, an increase of \$15,549 million. However, the population in Canada as of October 1, 1974, is only listed at 22,574,000, an increase over 1968 of only 1,873,000. There has been an increase of less than two million people since the present government under the present Prime Minister (Mr. Trudeau) took office, but an increase in expenditures of \$15,549 million. Is it any wonder our taxes are high? Is it any wonder that we in the Progressive Conservative party claim that the Canadian people are overtaxed by this government? It is this excess taxation which has led directly to our present runaway inflation which is troubling everyone.

Two very interesting speeches were made recently, one by the Minister of Finance to the Canadian Club in Toronto and the other by the Prime Minister to the faithful at a \$100 a plate dinner in Montreal. There was quite a difference between the tone of those two speeches of gloom and doom compared with the speeches delivered by these hon. gentlemen prior to the 1974 election.

In their recent speeches, both gentlemen were agreed on one point at least; 1974 was not, and 1975 will not be, a good year. The Minister of Finance spoke of recession with rising unemployment, inflation and rising prices. He said at page 8 of his speech that these problems were compounded by the fourfold increase in price imposed by the oil producing countries. On page 10 he stated words which

[Mr. Crouse.]

lead me to believe even he might support our recent amendment. I quote from page 10 of his speech:

We in this country have the potential to maintain and even improve our standard of living during this same period. But we are only likely to realize this potential if we are able to exercise enough self-discipline to avoid trying to take out of the economy more than it is capable of producing. If we can reach mutual understanding about the claims of each group on the economy, then it will be possible not only to maintain and improve our standard of living, but also to bring about a steady decline in inflation. No one is being asked to accept a self-imposed hardship. What I am saying is that collectively we will be a lot better off, not worse off, if we co-operate together to moderate our demands on the economy.

This is what we as Conservatives are saying; we should all co-operate to moderate our demands on the economy. It is vitally important that the government at this crucial time in our history give leadership to Canadians by cutting down its demands on individual Canadians. At page 11, the minister states:

As I indicated earlier, real growth of the Canadian economy in 1975 is likely to be somewhat below potential.

On page 12 he stated:

We are counting heavily on continued strong expansion of private capital investment to provide a strong impetus to the Canadian economy throughout the course of this year and beyond. It is important that Canadian businessmen—

Here he waxes poetically.

—look beyond the valley through which we are passing to the peaks that lie ahead.

Again, this is what we are saying. This government has not provided leadership to Canadians. However, we agree with the finance minister when he calls for a strong expansion for private capital investment. We say, give Canadians, and through them our Canadian companies, the financial tools and they will do the job. The finance minister again underlined the theme of his entire speech when he said on page 13:

There is little doubt that 1975 is going to be a less robust year.

This masterpiece of grave digging was followed by the Prime Minister speaking to the faithful in Montreal, where he is reported as saying:

Violence is coming to our land. The opposition parties, divided and lacking leadership, are encouraging discontent. There are no easy solutions, so those who want to attack the government are posing other problems. They are looking for something—scandals. They are probing. The atmosphere of Watergate has polluted the atmosphere of all democratic countries.

This is our Prime Minister talking.

Some hon. Members: Hear, hear!

Mr. Crouse: Members opposite have obviously heard the speech so they do not want to hear it repeated.

Suspicion—everybody is living in a glass bowl. Suspicion—nobody trusts anybody any more in government.

I wonder why. Why does no one trust anybody in government any more? I wonder if the Liberal party ever asks itself why nobody trusts them any more. That is what their leader is saying.

The civil climate in our society is beginning to weaken.

An hon. Member: We counted the returns.