

fruits. You judge a tree by its fruits, everyone knows that, it is in the Scriptures. So we can judge a system by its results.

Mr. Speaker, this system takes us on a very dangerous course. Although in the 1978-1979 budget, there seems to be an effort to protect the individuals and the taxpayers at the same time, the extraordinary thing is that in fact a heavier tax burden is being placed upon them. One just has to look at the budget to see it! In the budget, which has been in effect since April 1 the increase in the personal income tax is of about \$1.34 billion; while the increase in the corporate tax is only of about \$495 million. We have been asking for a review of the tax structure for a long time now in order to reduce the tax burden on the individual, we have been asking for a fairer distribution in view of the fact that 60 per cent of Canada's revenues are in the hands of multinational corporations while the remaining 40 per cent go to the individuals. It is imperative to strike a balance because it is the little man who is paying for the big shot. We make sure that the rich get richer and the poor get poorer.

• (1532)

That is why I would suggest, in order to bring about a fairer and healthier administration, a measure which comes under federal jurisdiction, namely a cut in the sales tax on building materials. The provinces could not say a darned word about it since it is a matter of federal jurisdiction. In this way, we would increase the income of families and individuals without the risk of a constitutional crisis as the one which is forthcoming. We would give the building industry a boost and that sector of the Canadian economy could start out with greater enthusiasm.

Builders and contractors could use their equipment, workers in every building trade could go to work, and automatically the government could derive revenues from their income tax, according to a well-known formula, and automatically the wheels would start to grind again without anybody being hurt.

Mr. Speaker, there is also another sector involved. I remember, and this was repeated once more yesterday by the Minister of Finance (Mr. Chrétien) when I asked him whether he would not be ready to study another method of financing the public sector so that private savings, the savings of private citizens be left to the private sector so it could use them to cover its financing needs, and the federal government in turn could get its financing requirements by creating new money, because the government's purpose is to increase the money supply for those who need it. Since this is a worthwhile purpose, why not, as I said yesterday, at least give serious consideration to the possibility of replacing the debt-oriented system of the public sector by a more social kind of credit system, putting the Bank of Canada to work as it were, increasing the money supply to the extent that discounts would be used by consumers not haphazardly but to the extent those people would buy, to the extent consumption would go up, to

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the extent they would take advantage of the available discounts. There, Mr. Speaker, you have the regulating factor.

Yesterday, the Minister of Finance told me he had studied that in 1963 and he had found it absolutely impossible. Well, how often have I not been told that if this monetary theory were to be used, there would be inflation in Canada. There would be unemployment, there would be chaos. But what is the situation in 1978? Do we have inflation? Do we have unemployment? Do we have chaos?

An hon. Member: It would be worse.

Mr. Lambert (Bellechasse): An hon. friend over there says it would be worse. Maybe it would be worse, but is it not "worse enough" already? It has also been said this would force the Canadian dollar down. This is said derisively, but there is nothing funny about that. It is awful to know the Canadian dollar now trades at 87.2 cents. It is terrible to see that our dollar is down to 87.2 cents today. Were that to happen under an administration headed by people like me, who believe in Major Douglas' political and economic theory known as Social Credit, we would be charged with all the sins of the world.

Miss Bégin: For sure!

Mr. Lambert (Bellechasse): Yes, and it would make you happy. But this time, it is your own administration, your own system of credit, of debts, and it is terrible. Listen to this carefully: in 1975—you are laughing, you think it is funny, but the young people, tomorrow, will judge you harshly. It is not very funny. In 1975, Mr. Speaker, our debt as Canadians, at the federal level, amounted to \$19 billion. We could live with the interest on that debt since that debt went as far back as July 1, 1867. But three years later, to the officials of the Department of Finance, at the meeting held to brief us before the budget speech on Monday night, I put the following question: What is at present, as of March 31, the net debt of Canada? It took them some time to check it up.

Finally they found that it amounts to \$39.800 billion. It more than doubled over three years. What outstanding achievements have we to show for it? What great things, Mr. Speaker, what have we accomplished, Mr. Speaker, to justify more than doubling our debt? Have we had to spend enormous amounts of money on National Defence to ensure the safety of our borders? Of course not—yet our debt has doubled. We started on our new budget on April 1 and we are told that our deficit will be about \$11.5 billion, which will increase the debt in Canada to \$51.300 billion. Let us think about it seriously, the way things are going, we are accumulating \$31 million debt each day, and we cannot afford to give the Minister of Employment and Immigration (Mr. Cullen) who is here now, more money to increase the number of very good programs such as Young Canada Works. We have—

Mr. Béchard: On a point of order, Mr. Speaker.