

The Budget—Mr. Garant

greater share of the total revenues namely without having to decide a general raise in taxation.

Mr. Speaker, the Canadian people will certainly be grateful one day for the fact that we have been able to avoid resorting to easy solutions, for deciding against a general raise in taxation and for preserving the indexation of the tax base of the individuals. No matter how easy they are these solutions would have presented serious inconvenience given the present economic situation where growth is rather slow. They could have easily stumped the beginning of the economic recovery that we can now clearly perceive ahead.

Mr. Speaker, we shall never stress enough for Canadian taxpayers and above all for all those who are most in need the importance of general indexation of the individual tax basis. Indexation will reduce by some \$1.6 billion federal income tax that individuals would otherwise have had to pay next year and this tax reduction benefits Canadians every year without them being asked anything in return. In the United States, this was made a discretionary measure that is always widely publicized. We, the taxpayers of the province of Quebec, recognize the value of indexing the tax rate for individuals. If our fiscal burden is 23 per cent higher than the average tax burden of Canadians, it is precisely because the Quebec government, which raises its own provincial income tax, has neglected to index in a general way the individual tax system. They only did so on an incomplete basis in the last two years. Hence, we realize in a more conscious way the priceless value of the federal indexation program in terms of tax savings.

Finally, Mr. Speaker, I will say a word about our continuing and renewed support of the Bank of Canada's efforts to limit the expansion of the money supply. We have given top priority to economic development by providing sufficient funds to finance such strategic activities as industrial development, research and development, the promotion of exports, the improvement of the transportation system and the retraining of manpower. We have always concerned ourselves with encouraging a healthy competition and decreasing the burden of public regulation; we have been committed to increasing the aid to developing countries, as we are conscious of the interdependence of all economic performances. Finally, it has always been our firm intention to support social and economic relief measures aimed at the disadvantaged, as we promised during the last election campaign and in the Throne speech. This package of budgetary and economic measures, all equally important, should, through their combined effect, help curb inflation, encourage investment, increase productivity, get closer to full employment and also ensure, in the meantime, a minimum protection against the two evils of inflation and unemployment.

Mr. Speaker, I would now like to speak about the energy issue. Some people were surprised that the national energy program should occupy such an important part of this budget.

Some went so far as to say that this was not a budgetary policy statement, but rather a statement on energy policy. I fail to understand such a reaction because it denotes a serious lack of understanding of the Canadian economic problem as well as of the world economic problem. Indeed, the double problem of inflation and unemployment which has confronted western economies originated with the oil crisis of 1973 and its many after effects.

Mr. Speaker, now that the worst of the effects on our economy of the drastic price increases dictated by OPEC seem to be over, now that Canada is a net exporter of energy and is therefore in a position of strength, now that, with the latest and forthcoming increases in domestic prices, the energy tax base is getting increasingly larger, now that our partial dependency on imported oil becomes increasingly more costly for the federal state in its efforts to ensure identical treatment of all Canadians, whether from the east or from the west, it is quite reasonable for the federal government to feel that it has to put some order in the Canadian energy sector and to have decided to do so through budgetary measures in view of the colossal revenues involved in the Canadian energy industry and the nature of the problem, which is essentially a question of sharing these colossal revenues amongst the various groups concerned, namely the producers, who are entitled to a just return on their investment that can stimulate them to re-invest in the development of our incomparable energy potential, the consumers, who are entitled to a made-in-Canada price which takes into account the development conditions in Canada and which protect them against the disastrous effects of the drastic and unforeseeable price increases dictated by OPEC and conditioned by a most unstable international policy, and finally, the various government levels, which are entitled to the budgetary resources which they need to meet their respective energy commitments, which are certainly interrelated, but also essentially different.

Mr. Speaker, the national energy program announced in the budget is undoubtedly the most complete and ambitious energy program to have been developed throughout Canadian history.

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I am quite sure that the basic principles which underlie this program, that is security, ownership and fairness, meet the aspirations of all the Canadian people; those people who surely want the security of supplies and gradual independency as regards the world oil market; those people who also wish that all Canadians wherever they come from, have the opportunity, to take part in the energy industry and benefit from its expansion and, finally, those people who wish a fair revenue sharing which allows for the most genuine Canadian tradition, namely the pooling of our national wealth.

Mr. Speaker, the new energy policy, for economical and fairness reasons, limits the increase in oil and gas prices for