

"but that they do not provide for the sustained expansion of Canada's economic growth" as well as for certain other things.

What we are trying to do is simply to add to the list of things that the tax changes do not provide. The amendment already suggests that the tax changes do not provide for "the sustained expansion of Canada's economic growth and activity as well as the elimination of poverty and the maintenance of necessary social benefit programs." We go on and add some things that we say those tax changes or tax reform provisions, whatever they might be called, do not provide. We suggest that this is within the general framework or within the general structure of the amendment. I realize that Your Honour is asking whether our part (c) proposes completely new ideas that should be the subject of a substantive motion. I am prepared to admit that there is a border line which we are straddling, but I suggest that at least in the structure of the amendment we have simply added to the list of deficiencies in the tax changes already suggested by the Progressive Conservative amendment. I hope Your Honour's initial inclination will prevail and that you will decide to allow the subamendment.

• (3:30 p.m.)

**Mr. Deputy Speaker:** The Chair had indicated when the subamendment was put by the hon. member for Waterloo (Mr. Saltsman) that my initial reaction was to accept it. I had a slight reservation, and I think I said that the delineation in (c) of the various matters with respect to which the hon. member complained and which were not in the budget in connection with tax reform or tax changes might go a bit beyond the wording of the original motion. The hon. member for Winnipeg North Centre (Mr. Knowles) as usual has been helpful to the Chair, and I have no reason to change or reverse my initial inclination. Actually, the hon. member for Winnipeg North Centre is the only hon. member who has argued and helped me to make my decision. I think the subamendment is in order and the Chair is prepared to allow the subamendment.

**Mr. Lambert (Edmonton West):** Mr. Speaker, that is quite a tail to tack on the amendment.

[Translation]

**Mr. René Matte (Champlain):** Mr. Speaker, we heard with much interest the speech of the Minister of Finance (Mr. Benson) and we have devoted some time to consider and analyse it.

At first sight, we thought that the government had somewhat understood the message which we have been stressing for years and that it was finally ready to grant a tax relief to Canadian taxpayers. We even thought as many others that the budget had a certain pre-election taste.

Mr. Speaker, there is in that budget several points which I would like to raise. I do not only want to make a negative criticism, but a really constructive appraisal which we hope will finally be accepted by the government.

### *The Budget—Mr. Matte*

Mr. Speaker, first we note that for a gross national product of \$84,468 million in 1970, the government had revenues of \$28,465 million, which means that the taxes paid by Canadians amount to 33 per cent of the gross national product.

Mr. Speaker, I mention these figures because hon. members know very well that we of the Social Credit Party have for years advocated other resources, other means of sharing in the development of our country without necessarily resorting to taxation.

Therefore may I be permitted to remark in particular that the basic exemption increase from \$1,000 to \$1,500 for single people and from \$2,000 to \$2,850 for married people may be interpreted in various ways. To say that one million Canadian taxpayers are exempted from income tax is to admit that we are accepting the presence in our midst of more than a million Canadians who cannot have a decent standard of living. No one in this House can maintain that today in 1971 it is possible for an individual to live decently on \$1,500 a year.

Mr. Speaker, I would like to quote as an example the hypothetical case of an individual earning \$3,000 and to show you that for a decent living he needs all his income. Yet the first cut in that \$3,000 income goes to the government which, with its fiscal tentacles, will collect \$304 from him.

How can manage an individual now earning \$3,000? Let us figure for him a small budget, Mr. Speaker. Room and board will cost him about \$25 a week, that is \$1,300 a year, and clothing, from \$500 to \$700. Today, a car is not a luxury; without one, one must obviously ride buses, trains, etc. Consequently, I include a minimum of \$500 for transportation and travelling expenses. If we add the cost of telephone service and insurance, we get a total of \$2,900. And that is a minimum, because I do not include recreation or comfort.

• (3:40 p.m.)

And then, the Canadian taxpayer is told that he is living in a rich country, a country where life is pleasant. That is false, especially if one attempts to establish a minimal budget. In fact, anyone who succeeds in making ends meet with a salary of less than \$3,000 is a wizard because he depends on his parents or has managed through all sorts of means not to pay room and board. But this is not normal, because any individual should be able to live freely and independently with minimum security.

And when people agree to a basic exemption set at \$1,500, I think it is ridiculous since tax exemptions should be in proportion to the minimum necessities of life nowadays, that is between \$2,500 and \$3,000. This is where the non taxable minimum income ought to have been set.

Mr. Speaker, when we speak of a married person, the case is even more pathetic. For instance, a married couple with two children under 16 years of age and an income of \$5,000 will have to pay \$302 in taxes. If we evaluate rent and family maintenance at \$1,200, food at \$2,080, clothing at \$1,000, transportation expenses at \$500,