

*The Budget—Hon. M. Lambert*

Mr. Speaker, there is a strange paradox in the tables put forward by the minister. He estimates an increase of some \$20 million under customs tariffs revenue for this coming year, despite the major reductions in tariffs contained in the last budget, which presumably were going to reduce the price of goods to the consumer. Yet we are now going to see more customs revenues.

**Mr. Benson:** That is prosperity.

**Mr. Lambert (Edmonton West):** Prosperity nothing! That merely means more imports. It means a further increase in imports in competition with Canadian industry. That means more unemployment. Lower tariffs rates mean we will have a much greater volume of imports. That is a simple conclusion—a greater volume of imports.

**Mr. Benson:** And exports.

**Mr. Lambert (Edmonton West):** But strangely enough, when you bring in imported goods you bring in the other fellow's inflation. With the other chap's imported goods you bring in his inflation, so to the extent that it fights inflation this move is not as effective as it could be, or as it may be thought to be. Of course, there is an old saw that nothing is entirely bad, and I would commend the minister without reservation with regard to the provisions in the budget for an extension of the taxing provisions concerning water pollution and the introduction of some measures as yet undefined for air pollution control. I think there may be some problems with regard to air pollution control incentives, but I feel the minister deserves full marks in this respect.

**Some hon. Members:** Hear, hear!

**Mr. Lambert (Edmonton West):** But having said that, Mr. Speaker—

**Some hon. Members:** Oh, oh!

**Mr. Lambert (Edmonton West):** —I think this budget has one major omission. I know it has many, but the major one is that there has been no provision at all for the lower income groups.

**Some hon. Members:** Shame!

**Mr. Lambert (Edmonton West):** And I mean particularly those old age pensioners who qualify for a guaranteed income supplement.

[Mr. Lambert (Edmonton West).]

• (9:10 p.m.)

**Mr. Basford:** You want to tax their clothing?

**Mr. Lambert (Edmonton West):** The Minister of Consumer and Corporate Affairs (Mr. Basford) wants to wake up.

**An hon. Member:** He has to grow up before he can wake up.

**Mr. Lambert (Edmonton West):** I want to suggest, Mr. Speaker, that if there had been an increase in the GIS of, say, \$200 or \$300—after all, the government chairman of the committee on poverty announced yesterday as a matter of certainty that there would be an increase—you are not giving him a very good track record for predictions. At least about 50 per cent of old age pension recipients receive, on the present scale, some portion of GIS. Now the 2 per cent increase that they get under the old age security formula is not sufficient to take care of what has happened in regard to the cost of living. In all seriousness I would suggest to the minister, and I know he is fighting inflation, that these are not the people who are causing it. He said this himself in the Finance Committee the other day. This would be a minor transfer—I am not talking about many millions of dollars—to those recipients of GIS to give them some relief.

The minister's proposals with regard to tax exemptions in the lower income groups are at least two years away. Let the minister sit down with pencil and paper and a calendar and study the mechanics of this measure, and he will see that considering the time needed to get legislation drafted, into this House, considered in the other place, and so on, it cannot be effective by January 1 next. That is what I am considering, to give this relief to these people between now and 1972. The same thing could be done with what you would call the working poor through a form of tax credit. My leader has talked about this and we have given figures on it. The minister has it right there and he is talking about budgetary surpluses—

**An hon. Member:** He doesn't understand that.

**Mr. Lambert (Edmonton West):** With \$150 million to \$175 million we could take care of most of the proposals of which he has spoken. I am not going to complete my remarks, Mr. Speaker, but I just want to finish with this point: The hon. member for Calgary South