the policies they recommend would have on the standard of living of Canadians?

Mr. Nystrom: I do consider this effect, Mr. Chairman. But may I point out that we also have the highest unemployment rate of any industrial country in the world, and this is a direct result of the policies we have been following in Canada.

I would like to point out to the hon. member that the standard of living of a large number of Canadians is far from being near the highest in the world. In Sweden the average working person is much better off and has a higher standard of living than the average working person in Canada. Certainly the standard of living is high for a few people in this country, for the select few who are benefiting from the system, but it is not that high for the vast majority of Canadians, certainly not for the 40 per cent of them who are living at or below the poverty line. It is these people I am concerned about, and it is against these people that the tax system works.

Mr. Broadbent: Mr. Chairman, I had not intended to speak on the amendment other than to make the few introductory comments that I made at the outset, but I cannot refrain from replying to the unmitigated nonsense uttered by the hon. member for Don Valley who specializes in creating little caricatures to attack.

He says the NDP have ignored the effects of the economic policies of the Liberal party for the last 25 years. He says we have not acknowledged that those policies have produced growth beyond that produced in other countries. We have acknowledged this. We have said it over and over again. If he wants to listen now, he can hear it again. We do acknowledge this point. But what economists in this country and elsewhere have said is that we pay a very high price indeed for our kind of economic growth.

There are alternative methods that would not involve selling out ownership of the resources of this country. Sweden, the United States and other countries have developed their economies using policies different from those used by the Liberal party here. I grant the point that we have had good economic growth in the past 25 years, but I do not grant that the methods selected by the Liberal party of Canada were the only ones which could achieve that kind of growth.

The second red herring introduced by the hon. member for Don Valley was his suggestion that we were proposing this kind of amendment in order to overcome poverty. That is rubbish. No one in this party has said that adoption of this amendment would overcome poverty. If they did it would be irresponsible and false. What we have said is that the adoption of our amendment would put money into the hands of the poorer people in a much more significant way than the government is proposing.

It is disgusting that a man making $4,000 a year, who has a wife and two children to support, will benefit to the extent of only $1.09 under the provisions of this bill. We say that instead of that man getting $1.09 he should get $40. That will not fundamentally change the earth; it will not overcome poverty, but it might improve that man's situation.

We are also saying that the government should not introduce this across across-the-board tax reduction that gives millionnaires hundreds and hundreds of dollars when tax reduction could be applied in a much more equitable fashion.

• (5:10 p.m.)

The third myth, of course, is that we are not interested as a party in stimulating the economy and that we do not accept that a 3 per cent reduction will have a good effect in generating growth. Again I say that is garbage. I wish the hon. member for Don Valley would listen to the argument. He gets up and creates red herrings and refers to points which never were made. Why does he not listen to the argument and then reply to it?

Let me deal with the 3 per cent which he said would stimulate the economy across the board. I would be pleased to commend the remarks of several economists to the hon. member because they would say that this is hogwash. We want to get money into the hands of the people who will spend it fast, not into the hands of the upper income people who will reinvest it. We all know this measure is intended to deal with the immediate situation, and our amendment would achieve that. It would give the $160 million to everyone earning $9,000, $10,000 or less. Principally that is where most of the money would go. That would have a stimulating effect on the economy. So much for the nonsense talked by the hon. members.

Finally he said we are opposed to corporations. The brilliant financial critic of the Conservative party made the same point; that is, that the New Democratic Party really is not concerned with corporations. That, too, is garbage. Look at what the party across the way is doing in respect of the automotive industry. I have spoken to management people who are very concerned that this government is going to obliterate the auto industry in this country. If anything, they share the views of the New Democratic Party because they say, in terms of responsible industrial growth in the automotive industry, it is our party that talks sense and not the government party.

The government states that the 7 per cent across the board corporate tax reduction is going retroactively to stimulate the economy. Again I would suggest the hon. member read what our economists say, and not necessarily socialist economists, because they would say this is garbage too. The companies which will get the benefits will not create any jobs at all. They will just make windfall profits. The companies that will benefit are all capital-intensive companies. Our party would say that, if we are to have a sensible taxation policy to stimulate the corporate sector of the economy, by all means consider a 7 per cent tax reduction, but make it conditional on the company expanding and on the expansion not being just capital expansion. A corporation policy that would stimulate the economy would make sense, but not what this government is offering.

[*Translation*]

Mr. Latulippe: Mr. Chairman, I should like to say a few words on Bill C-275.

I feel our friends of the NDP are pleading a case "hand over fist", that they would insist that the rich pay more