

● (4:30 p.m.)

Mr. Speaker, I am strongly against the creation of those new departments which will be of no help to the economy and will contribute to reduce the purchasing power instead of increasing it. It is not the establishment of new departments that prevents industrial development, but the limitation of the people's purchasing power. In fact, industries know what to do and what to produce even if they do not have money. But the people have no money to buy their products. There is no lack of production in this country, Mr. Speaker. We have accumulated a production surplus in 1968. We have been accumulating surpluses since 1944, even since the war, and those surpluses are being used up through exportation only or in time of war.

Mr. Speaker, if Canada's economy is to operate freely, normally, the purchasing power must be left in the hands of the Canadian taxpayer, who is the main consumer. We are facing a problem of consumption, not one of production. It seems they want to solve the production problem through the creation of new departments. They want to produce more, when we do not know what to do with the present production. The Prime Minister (Mr. Trudeau) and his colleagues know that the industry can produce more, but the fact remains that there are a million unemployed people in Canada who do not produce at the present time.

If we had a sound economy and a reasonable purchasing power, the industry could function because the purchasing power would move constantly in the hands of the taxpayers and would keep our industry and our economy moving.

Mr. Speaker, there are several things in Canada that must be changed but it is only a question of balance. We have no problems in the field of production; our problems are now located at the level of the consumer. I do not know whether the departments will engage in production. I do not know whether they will provide for transportation.

A government exists only to balance the economy of a nation, and not to take the money of the taxpayers and to spend it for them. It does not exist to create all sorts of troubles for the taxpayers or to prevent them from investing, from developing their industry, or to prevent all sorts of economic agencies from expanding. These problems would

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not exist if the purchasing power was constantly balanced with production and consumption.

It is in this field that changes should be made in order to improve our economy.

I feel I am completely in order and even in agreement with the views expressed by the Prime Minister this afternoon by suggesting very briefly as part of our regular parliamentary proceedings, a somewhat original way to present the problem in order to grasp the easiest, most efficient, most constructive and most realistic solutions.

I do not want to put the ministers to shame but may I tell them very frankly that, so far, they have only found and given answers to imaginary problems. The basic problems have not even been located and they are applying poultices right beside the sore spots. How could we find remedies to problems which are yet to be diagnosed? How can we heal our wounds by putting bandages on the healthier parts of the body?

That is exactly what has been going on since June 25, 1968, since the day the new government came to power with a full majority, something that had not been seen in seven years. The government has simply raised the rate of interest on capital belonging to millionaires. They are now paid 7 per cent instead of 5 per cent interest, which is \$20,000 more every year, for every million, without any additional work, but that is done by taxing all Canadian citizens even those who get no revenue, either from their work, or from their capital.

The salaries of the best-remunerated civil servants are being increased. For instance, those who were making \$50,000 a year, will get \$75,000; those who were earning \$35,000 will now earn \$45,000 and those who were getting \$26,000 will now have \$35,000; in addition, the tax-free allowance will be increased from \$6,500 to \$8,000 and so on.

The creation of new departments is the wrong way to balance our economic system, because no one wants to put it in balance, no one wants to take the time to study the situation and place our economy on a pivot.

But in the meantime, the cost of living increases, for every child, every student, every sick person, every blind person, every invalid, every pensioner, every mother of a family, more than 13 million citizens without income must pay more for their basic needs.

In the meantime—and of this the ministers and the members of the Canadian Parliament are aware—we see the salaries of our steadiest