

have heard many objections to war, but never have I heard it said that one should not be engaged in war because it is too expensive. When world war II came the decision was made in this country that the war had to be won. The government of the day—it was a Liberal government at that time too—took the decision that we must win the war and that we must have the necessary massive production to make total war. That government realized private business would never be able to do the job alone. Private business has never been able to produce enough to go around in this country. The government then took a hand and set up crown corporations and enterprises under public direction and got the war effort going. That was necessary in order to do our full part during world war II.

● (5:40 p.m.)

Let me suggest that if this government is serious about winning the war on poverty at the present time and equally serious about helping those people who are trying to win their particular wars against insecurity, the government should give them the jobs and incomes necessary to succeed. I hope the government will make that kind of decision. I know this is amusing to the cabinet ministers over there. Perhaps I should put that in the singular as they are not in the plural, at the moment. Perhaps it is singularly amusing to him that I should suggest a war effort now. But we need a war effort in peacetime if we are going to obtain the kind of production we must have to support a proper tax base and those services required by the people of this country.

No one suggests that we should get rid of so-called free enterprise. It is not free and it is not enterprising enough. Free enterprise alone cannot provide plenty. So far it has been only able to produce scarcity. The government should adopt programs to extend production.

Second, the income tax exemption should have been increased by this budget so as to give the low income groups an opportunity to pay their own way and avoid falling into the pit of poverty. It has been suggested by this party before that the income tax exemption should be raised to \$2,000 for single people and \$4,000 for a married couple, with an appropriate allowance for each child.

Third there should have been something in this budget about pensions and allowances such as family allowances, old age security pensions, veterans allowances and pensions to

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retired public servants. These should be brought into line with two things, today's cost of living and today's standard of living. Pensions in this country have never been set in accordance with what it costs to live on anybody's standard of living. They have been set in accordance with political pressures. Governments of the day have always figured that they should set pensions as low as they could possibly get away with and still remain on the government benches.

For the first time in history we should examine and overhaul these pensions and allowances. We should determine how much it costs people to live at a reasonable and modest standard of living and set these pensions on that basis. The economic council has pointed out that poverty is relative. Poverty of a century ago is not poverty today. People today might have something which could have been considered affluence a century ago but today they are on a different level because they observe other people who enjoy modern affluence. The standards of pensions and allowances today must be related to what it costs to live moderately or even modestly.

Let me refer for a moment to the so-called social development tax. Do you know why the government calls it a social development tax? I can only find one reason. It is called a social development tax in order to keep this money out of the hands of the provinces. If the government had really meant this to be a social development tax the budget would have contained some indication of social development programs. There is not one single snip of a program for social development in this budget.

There was an indication yesterday and today of what I might term social going-backwardness. This is taking place in a big way and is in prospect for the next few years. I am not at all sure that if this government were not protected by immunities of various kinds—a big majority and perhaps a parliamentary immunity—it could not be sued for fraud for calling this a social development tax. It is no such thing. It is a tax with a fence around it to keep it out of the hands of the provinces. By the looks of things we will not get any social development as a result of this tax.

My next point is, I think, point number four. I do not like to criticize the government without some suggestion as to what should be done alternatively. Let me make another suggestion now. I am sure this will cause great amusement. It always has caused