

The Budget—Mr. J. F. Browne

It also shows that he was completely unable to analyse the probable effects of the budget on the economy and on the country, because there is little doubt that although the government does not set the external price of the dollar, budgets do have a good deal of effect on it. After the budget of last March the premium on the Canadian dollar declined from five cents to a little over two cents. The supplementary budget has been followed by a further reduction in the dollar so that it is trading almost on a par with the United States dollar at the present time.

Therefore when we consider the trade position of this country as I have outlined it, that it was at an all-time high, and when we relate that to the fact that we have now taken action which has resulted in the reduction of the premium on the Canadian dollar, which will undoubtedly make it easier for our exporters in world markets; when we consider that the government has set up the national productivity council to make sure we are as efficient as possible in our production; when we consider that the government has taken action to make better financing arrangements for export credits, which were not available before, certainly any criticism of our policy in that regard could be nothing but misguided criticism and not in the best interests of this country.

The hon. member for Kenora-Rainy River went on to indicate that he was not too favourable to the deficit that we had. However, he did not make any criticism of the particular things that were outlined by the Minister of Finance that had brought it about. Nor did he suggest any cutting of expenditures. In fact, his colleagues in the Liberal party, or the liberally-minded persons, or whoever they were who were meeting in Ottawa, went on to suggest that we spend a further billion dollars, not only without raising revenues, but by cutting them. They were going to reduce taxes as well as spend another \$1 billion. Therefore any criticism about the deficit would certainly have to have better substantiation than the action or policy they were advocating.

The well-known *Winnipeg Free Press*—and I do not think there is a more staunch supporter of the Liberal party in this country than that publication—did not seem very impressed by this great policy-making body of the Liberal party. However, it went on to say:

The fundamental problem facing Canada today so transcends all others as to make any talk of further social reforms and higher governmental expenditures at the present time not only impractical but utterly dishonest.

[Mr. Browne (Vancouver-Kingsway).]

I would not go so far as to say the party was utterly dishonest, but certainly they have been advocating higher expenditures and they have been advocating lower taxes, and at the same time criticizing the financial position we are in at the present time.

I think one of the most surprising criticisms that the hon. member for Kenora-Rainy River made was bleating about the little man. He said, "People are paying more taxes than they used to pay". It is surprising to me that he found it necessary to go through such a complicated procedure to try and convince the average person in this country that he was paying higher taxes and that he was suffering under this government, because I believe that the hon. member for Kenora-Rainy River represents a riding very similar to my own. It may be described as a labour riding. I would think most of the people in that riding are working people who are working for wages. When they go to discover what taxes they are paying—and I have pointed this out to the house before—they usually look at the income tax form, which has the rates of tax and a table of taxes. They look there to determine what they are going to pay. They do not have to take the gross national product of the country, and they do not have to take the number of inhabitants and go into some complicated financial dealings to try and determine what they are going to pay.

In order that this can be cleared up once and for all, may I say that 85 per cent of Canadians are paying lower taxes today than they were when the Liberal party was in office, notwithstanding the fact that a great deal more money is being paid to the provinces than was the case in their regime. Also, this is notwithstanding the fact that social benefit welfare payments have increased by over 50 per cent and that we have extended the basic income tax exemptions.

Mr. Martin (Essex East): Where did you get that figure of 50 per cent?

Mr. Browne (Vancouver-Kingsway): We have also reduced the sales tax on a wide range of municipal purchases. We have reduced the automobile excise tax.

Mr. Martin (Essex East): When?

Mr. Browne (Vancouver-Kingsway): I could go on and indicate other tax concessions that have been made, but I should like to ask the permission of the house to have the 1956 and 1959 tax tables and rates of tax printed in *Hansard*. I ask permission for this to be done in order that the public will be able to make a proper comparison and determine for themselves that taxes are lower now for the average Canadian than they were when the Liberal party was in office.