

criticism which would inevitably follow, the Minister of Finance in the Trudeau cabinet, Mr. Edgar Benson, had a haircut and a light meal.

That I did not know.

His total budget is of the order of \$11,670 billion—

An hon. Member: Say it again, he did not get it.

Mr. Gauthier: Indeed.

An hon. Member: Because of his meal, he was not wearing his ear-piece. Say it again for his guidance.

Mr. Gauthier: Mr. Speaker, we are told that before bringing down his budget, the minister

—had a haircut and a light meal.

I did not know that.

His total budget reaches \$11,670 billion, or an increase of \$890 million compared to that of 1967-68.

In order to bear such an increase, the Canadian people will be taxed for the second time this year. Minister Benson has also provided for a cut in expenditures—

And for doing away with haircuts, probably.

—a cut in expenditures—

Mr. Speaker, I think that these few criticisms voiced by the public through the press are justified. But what does the minister propose to do about all those tax increases, against all those taxes which burden the workers? What solution does he suggest? He states it again here, as reported on page 1681 of *Hansard*, and I quote:

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It is difficult to forecast our position in the next fiscal year at such an early date as this, yet I feel I must make some effort to do so in order to develop the tax proposals that I think it is necessary to place before you tonight.

We intend to continue severe restraint—

He does not ask himself whether it is possible to collect more money in the country, but he proceeds right away to talk about restraint. They all think of that famous tax. It seems to be their only solution.

We intend to continue severe restraint upon those direct expenditure programs under the government's control—

This is rather serious.

—under the government's control, eliminating what is obsolete and permitting only the degree of growth that is essential.

We shall have to resist requests by members on both sides of the house, and from groups and individuals outside, to spend money for worthy purposes which we cannot afford to do along with the other things we are doing. It will also be

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necessary to maintain a virtual freeze on the size of the public service of Canada. We shall also seek the vigorous co-operation of the provincial governments in the same kind of restraint—

It is only then that he appeals to the provinces, I think.

Mr. Speaker: Order. I must interrupt the hon. member to remind him that the time allotted to him has expired, unless the house agrees to let him go on.

Some hon. Members: Agreed.

Mr. Gauthier: Mr. Speaker, I wish to thank my colleagues and I will be through in two minutes.

In such circumstances, the federal government decides to meet the representatives of the provinces because we have always noticed that each time it wanted to take certain steps about the shared cost programs, as it did about the winter works program for instance, it acted first. It started by discontinuing winter works and then it informed the provinces that it would no longer grant subsidies. It has always been its way of interpreting relations between the two levels of government. I realize that when it is a matter of saying to the provinces: It is impossible, you will not do that, then it wants to consult the provinces. I hope that once it will at least heed the advice it so often gets in this house and consult the provinces more often. Then, it might get better guidance.

To conclude, Mr. Speaker, we feel it would be more advisable, instead of reducing the subsidies paid to the provinces, that the expenditures for national defence be cut by 50 per cent and the interest on the national debt, which is unjustified and unjustifiable, be reduced.

In my opinion, the government should meet the financiers. I do not blame the present Minister of Finance himself; I mean the Department of Finance in general. Since its creation, legislation is being adopted to protect it. Let the minister go to these magnets of finance, to the chartered banks, and ask them for an extension of interest, a gift of interest, for two or three years. Mr. Speaker, I am sure that if the Minister of Finance did that, he would be elected Minister of Finance for at least ten years.

In conclusion, I therefore suggest this to the government: instead of cutting down useful projects or cancelling them, why does it not look for other solutions and other ways of saving, to balance the federal budget which, in spite of what the minister has told