

way offered in an opportunist manner in an effort to win some votes. Just describing it indicates how empty it is. Let us hope the country sees it in those terms.

• (2100)

The second proposal of the Leader of the Opposition to provide jobs, which he set forth as the highest priority, is a \$15 increase in the old age pension right across the board. That is a meritorious proposal. I hope a \$15 increase in the old age pension will be possible. But what would that do in respect of jobs? I submit it would do nothing. It is a loser. The Leader of the Opposition has chosen to bring forward proposals designed to attract attention and win votes, but which are certainly not designed to do anything about providing jobs.

The budget of the Minister of Finance (Mr. Turner) is designed to do provide jobs. I shall come to it in a moment. However, first I should like to comment on the speech of the leader of the New Democratic Party (Mr. Lewis). We heard a very tired performance. Perhaps it is time for that party to put its new leader on the shelf beside its old leader. I had become accustomed to hearing from the old leader of the New Democratic Party that the mountain has laboured and brought forth a mole—

An hon. Member: A mouse.

Mr. Kaplan: —but that expression has died. From the new leader of the New Democratic Party we hear time and time again the ever-hopeful virgin entering this chamber full of expectations for the just society and enchanted by the Prime Minister (Mr. Trudeau) and our new Minister of Finance. He approaches the floor, unwraps those yellowed papers of his and then we hear that once again his hopes have been dashed and that his worst fears have been realized. What does he find—not a new leader but Mackenzie King again. Not Mr. John Turner but Mr. Benson again. This approach is wearing thin.

Some hon. Members: Order.

Mr. Kaplan: It is a tired performance which is repeated too often. Let me deal with his principal argument. His argument is that this government favours the corporate sector at the expense of the personal sector. The false premise on which his whole case is built is that there is a corporate sector and a personal sector and that there are different segments of the population. Listening to him, one would have the notion that somewhere or other there is a class of people in the corporate sector who live a life of luxury and ease, who do not work, who do not pay taxes, who are able to deduct all their expenses and who contribute nothing; while again, another group, the individuals, are the ones who make the goods, who accumulate the savings and who carry out all our industrial activity as well as pay all the taxes.

I think just to state the implications of the premise is to demonstrate how fallacious it is. The corporations are not real people. There is no difference between the corporate sector and the personal sector. There are only real people in this country. It is only people who pay taxes, the corporations just being a funnel. It is patently ridiculous for him to suggest that somehow to reduce the taxes of corporations is to confer a benefit on a privileged class of

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people. He knows perfectly well that taxes are paid by people. When corporations have their taxes raised, the price of goods tends to increase. In the end, all taxes are paid by people.

Mr. Orlikow: Which people?

An hon. Member: Tell us which people.

Mr. Kaplan: All people, on a progressive basis. Mr. Speaker, I do not think I am convincing the members of the New Democratic Party, but I believe I can put to them one point which perhaps may make my entire case. The Carter report, which they revere so highly as being the ultimate in equitable taxation, would impose on the corporations of Canada a tax of zero per cent. Under the proposals of the Carter report, all taxes would be paid by people. Integration is provided as the corporation is seen for what it is—a conduit. The members of the New Democratic Party approved this and never regarded it as a sellout, because it was made very clear in the analysis of the Carter report that taxes are paid by people and that the corporation is only a vehicle serving the interest of consumers, providing jobs and accumulating savings and profits for investors. I think the leader of the New Democratic Party owes his supporters a better analysis of Canada's problems than he gave tonight. He spoke about tax incentives and put forward the preposterous proposition that machinery takes away jobs and that any incentive to build up jobs by adding machinery would not do this but, rather, would tend to reduce the number of jobs in Canada.

I invite the leader of the New Democratic Party to consider the opinions of all the economies of the world. If he looks at those economies which have no machinery at all, he will find how much employment there can be where there are no machines. Then he should look at the economies which are the most advanced, those which have the latest machinery and industrial processes. I suggest to him that machinery modernization and mechanization is the key to providing full employment in Canada, and not the opposite. It is ridiculous to suggest that an incentive which would tend to make our economy more efficient would operate against the interest of the working man. I hope none of his supporters would ever believe that.

Mr. Howard (Skeena): Why do you not try working in industry to find out?

Mr. Kaplan: I have. I should like to speak tonight about Canada's industrial strategy and how it has been moved forward positively by last week's budget. For the first half of this century it seems that Canada's industrial goals have been clear and fairly stable. The economy was divided into two sectors, international and domestic. In the international sector we developed production of products for world markets. These are products in which we have achieved international excellence in economy of production and in quality.

These goods include farm produce, timber, pulp and paper, and minerals. Partly by transportation subsidy and partly by stimulative taxation policies, this sector has developed to the basically healthy condition it is in today.