

Mr. Douglas: That is how we are bringing the corporations into line. Moreover, the surcharge will not apply to the manufacturing and processing industries which in addition will enjoy the benefits of the tax cuts they were allowed last year and the fast write-offs. It is significant we cannot get the minister to tell us how much reduction in revenue will follow from the concession made to the manufacturing and processing corporations by virtue of the tax benefits they were given last year. It is also significant that in return for the support of the official opposition of that legislation last year the minister introduced the provision that the legislation could be opened up for reconsideration after April 1, 1974. Yet we cannot even get the figures, although April 1 is long since past. What is the figure, Mr. Speaker? The minister does not say.

● (1730)

Professor Hyndman, in one of the publications put out by the Tax Foundation, said that for this fiscal year, 1974-75, those tax concessions will be worth over \$1,000 million. Will the minister tell the House whether or not that is correct? Will he tell us what the figure was for the past fiscal year? Of course he will not, Mr. Speaker, because he knows he dare not tell the public about the kind of hand-outs that he gave to these corporations. Who are these processors, Mr. Speaker? They are the meat processors, food processors, fish processors. Look at the profits they have made. These are the people who have gouged the public and they are the people who are getting the major tax concessions.

Having signalled the government repeatedly for months on end about the disparity and inequity in our tax system and demanding some adjustments in it, we are presented with this budget. It is a budget that will perpetuate a situation in which the real income of the wage earner and salary earner is going down \$5.50 a week, according to latest figures, in which the share of the national income going to corporations in profits is going up and the share of the national income going to the working people in the form of wages and salaries is going down. I ask, did the Prime Minister think that the New Democratic Party would swallow a budget like that?

There are two possible explanations for the Prime Minister's miscalculation. The first is that he may have thought the New Democratic Party were bluffing, that they really would not vote against the government, that having been close to the government for some months, supporting them in the social area, we had come to love and to cherish them. The Prime Minister himself put forth that idea in a speech he made in Sudbury, as reported in the press on April 29. According to the *Globe and Mail* for April 29, 1974—

—Mr. Trudeau said he thought NDP members of parliament were also reluctant to see an early election "because they are not particularly keen on losing their seats".

The Prime Minister heads a government in a minority situation. Here is a man who is trying to stay in office to do what he thinks is best for this country. A few weeks before the budget comes down, he says, "If the New Democrats vote for our budget, it is not because they think it is a good budget; it is because they are afraid to go to the

The Budget—Mr. Douglas

country and have an election". Now, that is statesmanship of a high order!

This budget represents nothing more nor less than the Minister of Finance throwing down the gauntlet to the New Democratic Party. Everything we have asked for and everything we have advocated and pressed for has been rejected in this budget; and the budget has been even more inequitable, so far as the great mass of the Canadian people is concerned, than any budget we have had for many years. The other possibility is, not that the Prime Minister thought that the New Democratic Party were bluffing but that he had decided that sooner or later they were going to have to go to the country, and therefore it might be better to bring in a conservative budget that would please the business community, that would put them in good standing on Bay Street and St. James Street. And that is the kind of budget we got.

The Prime Minister intimated yesterday that we had suddenly made up our minds on this a week or two ago because of the strain that he talked about. The position we took throughout the whole period was that we would measure each piece of legislation on its merit, and the budget on its merit. The fact that last week we announced that we would not support the so-called anti-profiteering bill did not pledge us in any way to vote against the budget. If this budget had been a good budget, we would have supported it. We would still have voted against the anti-profiteering bill because it is a hoax and a farce, and hon. members know it. If this budget had made any provision at all that was designed to rectify the social injustices being perpetrated upon the Canadian people and taxpayers by this government, then we would have supported it. But there is no such provision.

The man who made the decision to put forth this budget, in the final analysis, is the Prime Minister. He is the man who must accept the fact that we are likely to go into a general election, because it is he and he alone who gave his approval to the budget and to the so-called anti-profiteering legislation, legislation he ought to have known we in this party could not and will not support.

The Prime Minister, in a sort of desperate attempt to stave off what appears to be the inevitable, tried to frighten parliament by saying there is a lot of legislation lying around which is not going to be passed if the government is defeated in this vote. There is no time that a government can be defeated when there is not some legislation lying around or pending. If every parliament were to make up its mind it would not be dissolved until the government dissolved it because it might end before certain legislation were passed, then, of course, there would never be a defeat of a government.

The legislation that is on the order paper is mainly peripheral legislation, and we are not prepared to vote for an unacceptable budget in order to get some peripheral legislation passed. Both the Prime Minister and the Minister of Energy, Mines and Resources (Mr. Macdonald) have been trying (a) to frighten the House, and (b) to scare the country by saying that if this budget is not passed, or if the government is defeated, then, of course, the government cannot collect the surcharge on exports of oil. Anyone who seriously makes that statement is either being dishonest or stupid.