

*The Budget—Mr. Gillies*

interrupting all this for what reason? For the manoeuvrings of the opposition.

This creating of uncertainty for political reasons, the deprivation of the relief that the budget would provide to the needy, this renunciation of the tax on huge corporations is all brought forward for political motives. As I indicated in the earlier part of my speech, this has been motivated by the well defined reasons of the NDP and of the Tories. My final word on this—

**Some hon. Members:** Hear, hear!

**Mr. Trudeau:** —is that the least we can say about this timing is that it is irresponsible. There will be other occasions later in the spring when the government can be defeated. We know that there are more opposition days coming with no-confidence votes.

**Mr. Bell:** You had your chance.

**Mr. Trudeau:** It is very unusual to defeat a government on its budget. I can understand why, because even though the budget may not go as far as the expectations of the various parties, yet it does bring relief to people, it does redistribute in one way wealth from the rich to the poor; and that is why we believe this particular timing, with these pieces of legislation on the order paper, is particularly irresponsible.

There is one final effect which I neglected to mention, and that is that the election expenses legislation, which has been demanded for so long by the leader of the NDP (Mr. Lewis), has not yet been passed. Finally, when they have a chance to have an election under this new legislation, they prefer to pull the plug before we are caught up in that legislation.

[Translation]

Mr. Speaker, may I say in concluding in a very clear and final way that the Liberal government—and I think I said it often enough—does not want a general election at this time. We want to serve the mandate we were elected for by the people of this country and we share the opinion of the Social Credit Party in that respect.

Having said that, Mr. Speaker, I would like to add that we will look forward to the vote on the proposed amendments. We are ready for the vote on the budget. If the Tories and the NDPs want to put an end to this 29th Parliament we will make it a point to see that they answer for it before the people of this country. Not only do we undertake to show the Canadian people that the Liberal party was ready to have all measures on the order adopted, but we promise them that they will see a Liberal party ready and able to fight in an election and to lead to victory all its candidates across the country whose heart is beating, whose brains are thinking and whose hands are working for freedom and justice.

● (2120)

[English]

**Mr. James Gillies (Don Valley):** Mr. Speaker, I did not realize, when I first got to my feet, that I had so many friends on the other side of the House, nor did I realize that I would be making the second speech in a political campaign. At any rate, I am delighted that the Prime

[Mr. Trudeau.]

Minister (Mr. Trudeau) joined in the debate this afternoon, although he did not have much to say about the budget. His participation explains a great deal about what has been going on and what has not been going on in the government. For the first half hour this afternoon the Prime Minister asked, why an election now? He said, "We have done this, we have done that. Why now?" The answer, of course, is quite clear. It is now, because the Canadian people really want something done about inflation.

**Some hon. Members:** Hear, hear!

**Mr. Gillies:** Having seen the budget that was brought down on Monday night, they realize that the government has neither the heart, will, courage nor the ideas to tackle the inflation problem in this country. Like hundreds of thousands of other Canadians on Monday, I waited to see what the government would do about the inflation problem. Through my mind went a variety of scenarios of things the government might try to do or suggest. Differential pricing was a possibility. Some sort of selective price controls, backed by high subsidies, such as the government has been trying in past months, might work for a time. But the one scenario that did not occur to me was that the government would come forth for another year with the same old policies and ideas and suggest that these were a modern, contemporary approach to dealing with inflation in Canada.

**Some hon. Members:** Hear, hear!

**Mr. Gillies:** It never occurred to me that we would again be in a budget debate in the House of Commons, after a year in which we had one of the most rapid increases in prices in the history of Canada, still trying to get the government to recognize that not all inflation comes from abroad, that we do have domestic inflation and that it is indeed a pervasive, significant, almost destructive force in Canada at the present time. The report of the Department of Finance which was tabled before the budget shows that with respect to the OECD figures which the government likes to quote, using a price deflator which the report indicates is the best measure of inflation, only one other industrialized country in the world, Japan, had more inflation last year than Canada. I certainly hope that the Prime Minister and the Minister of Finance (Mr. Turner) will not be wandering around the country saying we have had a great record in this respect. We have had a terrible record. The statistics in the government's own report, at page 31, show without doubt that the rate of increase in inflation in Canada in 1973 was higher than in England, higher than in the United States, higher than in France, and that the only country which had a higher rate was Japan, which had its problem with oil.

I used to try to figure out why the cost of living increase was about the same in the United States and Canada. I would call my friends in the United States and ask how much of their inflation came from oil price changes. They would tell me it was 22 per cent to 24 per cent. Mr. Speaker, we did not have to cope with that problem in this country. It is clear that we have inflation throughout the entire economy. It is a mistake to suggest to the Canadian people that we cannot do anything about inflation. For