

NATIONAL DEFENCE

PHASING OUT OF MEAFORD TANK RANGE— EFFECT ON CIVILIAN EMPLOYEES

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to address my question to the Minister of National Defence. Does his department have plans that would necessarily result in the dismissal of civilian employees at the Meaford tank range?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, the fate of the Meaford Range is being considered now. As a matter of fact, I have just signed a letter to the hon. member to whom I want to talk about it. The usual procedures in the case of a closure would, of course, provide for six months' notice for the civilian employees concerned. We would also try to put in motion the procedure that we have developed over the years of co-operating with other departments of government in finding alternative employment.

Mr. Speaker: Orders of the day.

• (2:50 p.m.)

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—CREATION OF UNEMPLOYMENT BY ANTI-INFLATION POLICIES

Hon. Robert L. Stanfield (Leader of the Opposition) moved:

That this House condemns the government's arrogant acceptance of recession-level unemployment in slow-growth areas of Canada and cost-of-living hardships generally while dogmatically continuing discredited policies that have failed to put the national economy on a non-inflationary upward course.

He said: Mr. Speaker, it was recognized in the government white paper concerning inflation, tabled I think late in 1968, that the policies that had been pursued by the government to attain the objectives of stable prices and satisfactory employment had not worked. Following this, the Prices and Incomes Commission was established, and while the emphasis of the chairman of that commission has been pretty steadily upon the importance of pursuing the fight against inflation without creating excessive unemployment the government has gone on creating more. The policies of the government have been to cause the main burden to be carried by those Canadian citizens who are least able to protect themselves

Anti-Inflation Policies

and are most subject to unemployment, such as the aged and those Canadians with low incomes who are still required to pay income tax.

I do not believe that we must ask the older people of this country to suffer a deterioration in the purchasing power of government pensions, particularly older people in need. Surely, we have not reached such a state of desperation in this country that we must limit the adjustment of guaranteed income supplements to a maximum of 2 per cent regardless of what change takes place in the cost of living during the year. We know that during the past four years our older people have fallen farther and farther behind the increase in the cost of living, and this is something that we cannot justify.

There is also the low income taxpayer with a shrinking real income, a shrinking purchasing power as a result of inflation, who faces a rise in the cost of living. Here again we have given him no relief but in effect have increased his taxes. This is inexcusable. I propose that we should be prepared this year to take off the income tax rolls those who are below the poverty line. Even if the government has to persuade itself that it cannot go that far, surely in the light of the inflation that has been going on something should be done. Surely there is no need to hold up this kind of relief until agreement can be reached on a total package of tax reform. So what we have had for the last couple of years at least, and indeed longer, is not an alleviation of poverty in the country but rather a deepening of poverty.

As a result of the policies of the government, we have excessive unemployment across the country. There is a very real question as to whether this unemployment is really attacking the sources of the inflationary psychology that exists. None of us has any doubt that, in time, we can defeat inflation by creating a recession of sufficient depth. As has been pointed out, we can do this, but at what price to the individuals who are suffering loss and what strain upon the fabric of this country? How far is this policy going to be pursued?

The Prime Minister (Mr. Trudeau) suggested the other day that the government was prepared to pursue this course until there has been an absolute elimination of all inflation in the country, something we have not seen in this country or indeed in any western country since the war. Surely, the Prime Minister