

*The Budget—Mr. Douglas*

**Mr. Douglas:** For the rest of the period from 1962 to the present time we have had a minority parliament, and it has worked a good bit of the time. It worked from 1963 to 1965 and from 1965 to 1968 because someone was sitting in the prime minister's seat who had a certain degree of sensitivity and flexibility. He was able to work out a consensus. He had some human compassion. During that period we produced such things as the health services act, the Canada Pension Plan, the Canada Assistance Plan and a great many other programs that will be monuments to the memory of that parliament and the prime minister at that time, the Right Hon. Lester B. Pearson.

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

**Mr. Douglas:** That same type of minority government could have worked in this twenty-ninth parliament. When the election of October, 1972 was over, the members of the New Democratic Party indicated that whichever of the two old-line parties had a plurality they were prepared to give it an opportunity to show what it could do.

● (1720)

As I pointed out last week in another debate, we had a two-pronged attack on the major problems of inflation and unemployment. One had to do with the social area and the other had to do with the economic area. In the social area we were pressing for legislative measures which would cushion the effects of rising living costs on people with fixed and low incomes and others most vulnerable to the inflationary pressures which were besetting this country and, indeed, the world. And the government did many things which needed to be done.

The Prime Minister said yesterday that the NDP was taking credit for things which they asked for but which the Liberal Party was doing. Well, Mr. Speaker, they could not do it alone—not in a minority parliament. Unless we had been prepared to support them through repeated non-confidence motions, they would not have been here to do the things which needed to be done, such as raising old age pensions, family allowances, veterans pensions, and so on. It is significant that in spite of the assertions of the Prime Minister that a Liberal government would have done these things anyway, in the preceding years from 1968 to 1972 none of these things had been accomplished.

My experience of the Liberal Party goes back nearly 40 years, and I have never seen them move unless they were prodded in the posterior or faced the prospect of defeat. Nevertheless, I want to say that the things which have been accomplished in the social area in the last 16 months were things we could support and, in my view, they made a contribution to easing the burden upon large sections of our people. At the same time, though, it should be remembered that since those measures were passed a year ago the rising cost of living has taken away most of those increases, and we had the right to expect there would be something in the budget to help these people.

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

**Mr. Douglas:** The second area in which we were pressing for action was the economic area. The Secretary of State for External Affairs (Mr. Sharp) stood up today and said the opposition parties had not put forward alternative

[Mr. Douglas.]

policies. Well, we have certainly put forward alternative economic measures we wanted to see introduced to cope with inflation. But nothing has happened. The Prime Minister, in a speech at the opening of the session, said the NDP were like seagulls which, because they were squawking and making a lot of noise, thought they were running the ship. Mr. Speaker, we never claimed to be running the ship, but a smart captain will listen to the seagulls warning him that he is running the ship on the rocks.

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

**Mr. Douglas:** We have been signalling to the Prime Minister for the last several months.

**An hon. Member:** Seagulls aren't so smart.

**Mr. Douglas:** I will tell the hon. member something else about seagulls. They are not stupid enough to stay with the ship when it starts to sink. What were the alternative proposals we placed before the government? We asked for selective price controls. The government said no, and did so repeatedly. We asked the government for a two-price system which would enable us to keep the prices of Canadian products and raw materials at levels lower than world levels, thus protecting Canadians against artificially high world prices. But the Minister of Finance (Mr. Turner) repeatedly declined to follow such a proposal, and in his budget speech the other night he said it would not work. And this in spite of the fact—as was ably pointed out by the leader of this party—that he has already done this very thing in the case of oil, copper and wheat.

We asked the government for legislation to curb excess profits. What did we get? We got a bill which was an absolute farce. As a matter of fact, it was so bad that when the minister produced it in the House he was like the boy on the burning deck—he stood all alone. It is significant that the Four Horsemen of the Apocalypse—the Minister of Finance, the Minister of Industry, Trade and Commerce (Mr. Gillespie) and the Secretary of State for External Affairs, who represent the corporate elite—were silent about this legislation.

The truth is, the government was not taken by surprise in the last few days. It has known for months there were things the NDP wanted done and must insist on having done. We wanted something done for the old age pensioners. We wanted tax adjustments in favour of people in lower and middle income groups. We wanted the government to do something about the criminal profiteering which is going on in this country.

What happened? The Minister of Finance said he was not going to indulge in any gimmickry. Mr. Speaker, one of the most extraordinary gimmicks any minister of finance has ever adopted was when on one hand he imposed a 10 per cent surcharge on certain corporations while with the other he gave them a 1 per cent reduction in taxation. The surcharge would cost \$175 million, but they are to be relieved by cuts in taxation amounting to \$262 million. This means they will profit from a net gain of \$87 million.

**Some hon. Members:** Shame.