

the wealthiest people in Canada will bear their burden of the restraint program. I was almost moved to tears when he brought forward the tax measure and suggested that the wealthy in Canada were really going to do their bit in the restraint program. Hon. members will recall that the ceiling for low income Canadians is now almost up to \$750. Ninety per cent of them have no unions, so there is no hope they will get it.

● (2110)

What has the Minister of Finance done to place the burden on the rich? He has brought in a 10 per cent surtax for upper income Canadians. It will really be hard to bear! A lawyer or a doctor struggling to get by on \$35,000 a year will really be badly off. Suppose he has two children. The government's proposal will really place him in a difficult position. It plans to increase his taxes by \$10 a year! That is the full force of the great burden of restraint the government has decided to place on wealthy Canadians.

A \$35,000 a year man with two children will have to pay \$10. Mr. Speaker, that comes as close to hypocrisy as I have seen in this House the fact of this change in family allowance announced today. The family allowance change means that an average family with three children will lose \$27 on each of those children. This is because the Liberal government has decided to cut out the escalation in family allowances this year. Compare this loss of \$74 to a low income family with three children, with the heavy burden the government is putting on upper income Canadians, an increase of \$10 to a family earning \$35,000. We do not have many tears in our party for all those rich people who will be so affected by that measure which was brought in today.

I want to conclude—

Some hon. Members: Hear, hear!

Mr. Broadbent: I am being so loudly cheered, Mr. Speaker, I am tempted to go on for at least as long as it took the President of Treasury Board to bring in the bad news. I want to make five specific suggestions which in our view should be seen in the context of creative government action involving some cutbacks and some increases, all of which in our view would contribute positively to dealing with inflation in a much more sensible and equitable way than the program announced by the President of the Treasury Board.

First, we think the government should increase its spending on housing. This would benefit both homeowners and renters by increasing the supply.

Some hon. Members: We have done that.

Mr. Broadbent: They say they have done it. Peanuts! By increasing the supply of housing they will drive down the price for homeowners and renters. The second benefit is that such a program would provide many new jobs from one coast of Canada to the other, bearing in mind that there are more than 700,000 people presently unemployed.

Second, we think an end should be put to the \$1.8 billion which, it is estimated, is being spent on tax incentives to corporations, which have not proved effective in creating jobs. I would remind the government of the study which it

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commissioned and which was presented in the House last June by the former minister of finance. Remember, we are talking about \$1.8 billion in fast write-offs and special tax concessions during the last two years. In the study presented last June it was stated that the majority of businessmen interviewed said the concessions were not needed and that the course of action they took in expanding their operations was not influenced by the give-aways provided by the government. We say this \$1.8 billion should no longer go out to the private sector in the form of a give-away but flow to the treasury via tax revenues.

Third, we would make the corporations pay their fair share of taxes in general by ending the tax deferral system. Over \$7 billion is now owed by corporations in Canada to the federal government, and we think it time that a good part of that sum was paid to the treasury.

Fourth, we think the most equitable way of dealing with not only professional people in higher income brackets but other upper income people who have a variety of means of getting round the control system, is the introduction of a 100 per cent tax on all increases of income beyond the \$2,400 level. Only by imposing such a tax do we think this program could be made at all equitable.

Finally, in connection with the price of Canadian produced oil, we think it is time Canadians ceased to be charged world prices for one of our own national resources. We reject the commitment of the government to allow the price of domestically produced oil to rise to the world price. The abandoning of this commitment would not only bring benefit to Canadians as consumers, as drivers of automobiles, but it would also be of great benefit to Canadian industry in helping to keep costs of production down, thus allowing more jobs to be created.

I wish to conclude by saying that not only is the government wrong in cutting back good programs as well as bad; it is also wrong because it has totally ignored the fact that more than 700,000 Canadians are unemployed.

Mr. Knowles (Winnipeg North Centre): Hear, hear!

Mr. Broadbent: By refusing to introduce even one program or one item intended to create more jobs, it is simply adding to the miseries which come inevitably to families experiencing unemployment to those other miseries experienced by those suffering from inflation. In short, the program announced tonight is not one which the NDP can support.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, after the statement made tonight by the President of the Treasury Board (Mr. Chrétien) I better understand the reasons for the resignation of former Minister of Finance (Mr. Turner). I find it strange that each time the Minister of Finance, here in Canada, whether Progressive Conservative a few years ago or Liberal this year or in the past, each time a Minister of Finance had to resign, it was because financial or fiscal matters were so serious that he could not afford to be inconsistent in the legislation that the government made him bring following statements he had made.

The hon. member for Ottawa-Carleton (Mr. Turner) less than one year ago, here in this House, was always telling us that the financial and fiscal situation in our country