

The Budget—Mr. T. C. Douglas

of the Canadian population is concerned. This country is suffering from a maldistribution of income, and the budget does nothing to alleviate that situation.

As a matter of fact, it does the opposite. It continues to levy income tax on single persons earning more than \$1,000 a year, or on married persons earning more than \$2,000 a year, in spite of the fact that the level of those exemptions was decided upon in 1949 and that since then the cost of living has risen by 65 per cent. Imagine a government which recognizes that old age pensioners who need it should be granted an income supplement, and which then proceeds to make them pay income tax upon what they received. This is why we in the New Democratic Party moved an amendment to raise the exemptions so that no person would pay income tax if he earned less than \$2,000 a year being single, and \$4,000 if married. The government refused to accept it. There is no relief at all offered in this budget to those in low income groups. No attempt has been made to redistribute income, or, to lift the burden from the shoulders of pensioners or veterans.

A second factor which in our opinion is causing the cost of living to rise is the failure to properly allocate our resources. Rising unemployment accentuates the problem, because manpower is one of our most important resources and more than half a million people possess resources which are not being utilized.

• (4:30 p.m.)

The third cause of rising prices is that two thirds or better of our price structure is not responsive to market forces or influenced by the law of supply and demand, but is an administered price structure. The government has never dared tackle that part of the economy which is dominated by monopolies and quasi-monopolies that set their own prices, generate their own capital, and control a very large part of the market.

The unemployment situation today has not come about by accident. It is not something that has sneaked up on us. It is something that this government has deliberately fomented and perpetrated. I say it is nothing short of criminal for any government to create unemployment as a deliberate policy and then refuse to do anything about it. A government that is unable to provide jobs for its people is worthy of censure. But a government that deliberately creates unemployment and then is unable to meet the problems created by

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

that unemployment is unfit to govern a country. I say that this government has a responsibility within the next few days either to present to Parliament a program that will provide jobs for the unemployed people of this country, or to resign.

[Translation]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, in the course of the proceedings on the motion of censure I introduced in the House on February 19 last, the attitude and the statements of certain Liberal members from the Province of Quebec amazed me.

At that time, the hon. member for Rimouski (Mr. LeBlanc) upbraided me for having talked on poverty at some length. I admit that I did and I think it was my duty to do so. First, I must say that the problem does exist. Second, the question must be broached if we want to ascertain the causes, as it is not by deliberately ignoring a problem that we will make it disappear automatically. I do not think that having talked honestly about poverty could have aroused passions or been tantamount to demagoguery.

As far as the hon. member for Lac-Saint-Jean (Mr. Lessard) is concerned, he said that I was intellectually dishonest. I say to him, through you, Mr. Speaker, that my intellectual honesty in the House cannot be questioned. When I deal with our farmers' problems, I am simply doing my duty. I never said that all farmers were beggars, but I must say I am tired of seeing that farm people always have to beg for their rights to be recognized and respected. As a matter of fact, this is one of the reasons why 25,000 producers of manufacturing milk have requested, through a petition I laid before the House on February 18, that an emergency debate be held on the milk situation. The purpose of that request was for those producers to obtain justice, and I think it behooved us to do what we did then.

Even though, on that occasion, the hon. member for Richelieu (Mr. Côté) said that this debate was nothing but idle talk, I still believe in our parliamentary system. In my opinion, Parliament is the very place where representatives must discuss great problems such as the dairy industry in Canada. If the hon. member really thinks that it is useless for the House to discuss problems regarding the Canadian people, I wonder how he can justify his presence in this House. I have confidence in this institution and in its discussions and that is why I am taking part in the debate today.