

*The Budget—Mr. Bourget*

it would perhaps be better to allow the hon. member to state his point of order before permitting the hon. member for Levis to proceed with his remarks. This is strictly a matter of procedure.

**Mr. Pigeon:** I think, Mr. Speaker, that the hon. member for Levis did not quote the exact figures.

**Some hon. Members:** Order.

**Mr. Pigeon:** The hon. member for Levis said that, because of the higher government tax, cigarettes had gone up 4 cents a package. I submit it is due mostly to the rash ambition of certain companies. In my opinion, he should have mentioned that. The responsibility for such an increase does not lie at the door of the government.

**Mr. Deputy Speaker:** Order. Again I point out to the hon. members that there are too many speakers in this house. In my opinion, the point of order raised by the hon. member for Joliette-L'Assomption-Montcalm is rather a matter of disagreement and, therefore, the hon. member for Levis has the floor.

**Mr. Bourget:** In my opinion, the hon. member for Joliette-L'Assomption-Montcalm is a little bit mixed up. I can understand his position, he is a bit jittery, since the parliamentary secretaries have not been appointed yet. At any rate, I shall go on with my remarks.

If we assume, Mr. Speaker, as I said, that a man smokes a package of cigarettes a day, he would be paying \$15 a year in additional taxes.

As far as alcoholic beverages are concerned, well, I would not like to take the case of someone who overindulges, but rather the case of a man who buys two 25 ounce bottles a month. In his case, it would mean 50 cents a month, or \$6 a year.

Now, the sales tax is supposed to bring in this year \$93 million, which means, according to the instance I chose, an average of \$18 per year. If we add up all those taxes that the minister forgot to mention in the example he gave, we realize that instead of paying \$34 less in 1959, we are going to pay \$5 more. In this case, the taxpayer has an annual income of \$3,000.

Let us take now the other example, example No. 4. Here the taxpayer has an income of \$7,500 a year and he said he would have \$2 less to pay than in 1957. Well let us add,

[Mr. Speaker.]

in this case too, \$15 for cigarettes, \$12 more for liquor, which is not excessive, since one who earns \$7,500 a year can certainly afford two more bottles a month. There is also the sales tax; this taxpayer would naturally buy a lot more than the one with the \$3,000 income. Let us add then a sum of \$30 to be paid in 1959. Thus, owing to this increase, the taxpayer will be paying \$55 more in 1959 than he had to pay in 1957.

According to *Hansard* of April 9, page 2415, the Minister of Finance says that our tax policy for 1959-1960 will be based on two principles and I quote:

(a) To provide a broadly based source of revenues to meet the new and additional forms of universally available social welfare benefits and

(b) To reduce the budgetary gap in a degree that will not interfere with the desired rate of recovery, but will hold out a prospect of a balanced budget at the appropriate time.

I believe, Mr. Speaker, that I might call the minister's attention to the fact that his principles are as unstable and varying as the weather; they change according to time, place and circumstance.

He probably remembers that, during the election, he was not speaking the same language. He and his friends, throughout the country, in the province of Quebec, as everywhere else, promised to improve social security legislation without a tax increase. They were very definite on that point, because they knew they would not get so many votes if they told honestly and frankly to the people that if they wanted increases in social security, they would then have to pay more. That is what everybody realizes following the budget introduced in April.

I remember very well, Mr. Speaker, that during the last election, the Conservatives based their publicity on the following slogan, which was reproduced in a small newspaper in my constituency in a headline which read as follows: "Let us vote Conservative for a happier Canada with lower taxes for Canadians." Well, we find now that Canada is less happy and that Canadians face heavier taxes. Canadians realize that because of the poor administration we have had since June 1957, a tax increase was necessary, but they will not forgive the government for having deceived them during the last election. As I said a few moments ago, the hon. minister stated in his speech that the increase in social security benefits had been welcome, but that we now had to pay for it. People