

couple who can save the total \$1,000 a year and who pay a tax rate of 40 per cent will save \$400 in taxes that year. The poorer couple save \$50, the richer couple \$400. That is exactly characteristic of the budget of the Minister of Finance.

● (1610)

What is more, Mr. Speaker, the minister does nothing in his budget to lower the cost of a house. If hon. members have followed what has happened during the last year or two, they will know what this means. By the time the young couple have saved \$4,000 or \$5,000, if they can afford to, over a period of five, seven or eight years, that sum is inadequate even for a downpayment. In addition, the increased price of the house will have eaten up their total savings probably two or three time over. We never suggested that 6 per cent interest is a complete solution to the housing problem.

On behalf of my party, I say that what is needed is a buying up or banking of urban land in Canada today. Indeed, Mr. Speaker, I suggest to you that the time has come to put this kind of land under public ownership, whether under the ownership of the municipality, province or federal government, instead of letting it remain in the hands of the speculative developer. Urban development land should no longer be left in the private market for the price to be pushed up so it becomes unavailable to the ordinary Canadian family. A public agency of this kind, be it federal, provincial or municipal, should take over. We also suggest, if the provinces will not do this, that we need in Canada a national construction corporation, a Crown company, to fill in the gaps left by private builders, so as to build homes for the people of Canada which are made available to the purchaser or renter at reasonable cost.

What does the Minister of Finance do by way of assistance in this regard? He produces this gimmick of a \$1,000 deduction, and then removes the carrying charges on land held for future development as a deductible expense. I agree that this is a good proposal, one that is long overdue. But we noted with chagrin and distress that there is no meaningful tax on speculative profits in the land development area.

There is no doubt that there are some goodies in this budget. I have never known a budget that did not contain favourable items with which everybody could agree, particularly a budget that it is expected might come before an election. But I must say that the niggardliness of the minister is such that even in a pre-election budget he could not let himself go. For example, Mr. Speaker, take the tax cut for individual taxpayers: an additional \$50 a year. That amounts to 96 cents a week, or two cents for every hour worked by the average worker in this country. That is the kind of tax cut they are going to get. This is the extent of the relief that the minister boasted about last night, the extent of the relief to people whom, he said, were hurt by rising prices. He has given them relief from income tax to the tune of 96 cents a week.

Within a few days, Mr. Speaker, the price of gasoline will be increased by eight to 10 cents per gallon. I suggest this \$50 a year will be eaten up within a few months by the increase in the price of gasoline alone, so far as the

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average Canadian is concerned, and not a penny will be left for anything else. The farmers of this country, as a group, are the largest consumers of petroleum products. The farmer uses gasoline not only for his car, but for his trucks, his tractors and all his other farm equipment. For him, this \$50 will be eaten up within a week. That is the relief that the farmers of Canada are given from the rising cost of living. I should like to understand what kind of psychology makes a government produce this sort of niggardly, mean and cruel hoax on the individual taxpayer.

Some hon. Members: Hear, hear!

Mr. Lewis: Then, the minister removes sales tax on shoes and clothing, something obviously desirable. I could not help but notice last night, when the Minister of Finance read his speech, the plaintive tone in his voice when he read a particular paragraph. I am not going to take the time to read the paragraph word for word, but I can mentally visualize the minister's speaking to them and pointing his finger at them. The minister said: "I say to the manufacturers, the wholesalers and the retailers that this elimination of the 12 per cent sales tax should get to the consumers, please; and if it does not, I am going to do something about it". By the time the consumer has been had, Mr. Speaker, this Minister of Finance will have forgotten his undertaking to do something about it.

Having removed the 12 per cent sales tax on clothing and shoes, something which should have been done long ago in this period of inflation, surely one should have put a limit on it so that the people who can afford three suits a year, three pairs of shoes a year and three fancy dresses for their wives are not the ones to receive the greatest benefit from the elimination of this sales tax. The fellow who can afford only one suit a year is not going to get much benefit from this elimination of the sales tax.

Some hon. Members: Oh, oh!

Mr. Dupras: Be serious for a minute.

Mr. Lewis: I am being serious. The Liberals may make a noise about this, but it is another kind of tax cut that will be of much greater benefit to the wealthy in this country than to the poor.

Then the minister introduced another provision that is supposed to help people. The minister said it is designed to help in particular people in the older age brackets—if they are rich enough, he should have added. This is the deduction of up to \$1,000 of income from interest from various sources. Whom is this provision going to help, Mr. Speaker? I asked our research advisers to make a careful study and analysis of the interest income of various income groups in this country. I have looked at the working papers and I am satisfied that the results of this study are accurate. The results show that all those in Canada with incomes of \$25,000 or more have an average interest income per year of about \$2,100. That is the average income from interest of those Canadians who have an income of \$25,000 or more a year? The tax abatement which the Minister of Finance is offering under this heading would give that group of Canadians, small but powerful, an average annual tax cut of \$500, but the Canadians