

The Budget—Mr. Knight

involved in the cattle industry. This is a move in the right direction, although it does not go far enough in setting up basic herds. These are the things in the budget that have some merit.

We have now left the kind of dinosaur economic philosophy which was practised in 1969, 1970 and 1971 and are moving in the direction of an expansionary budget, although it does not go far enough. We are moving in this direction only because this is a minority government, and as insensitive as it has been during its four years of governing, the government now finds itself in a minority situation and reacts thereto.

I suppose that when we reach 5.45 p.m. tonight and we get to the point of voting on the final element of this budget, we will find the Tory party voting against the following measures. It will vote against an increase in the old age pension. It will vote against an increase in war veterans allowances. It will vote against the reduction of 5 per cent in personal income tax with a maximum of \$500 and a minimum of \$100. It will vote against the removal of the tax on children's clothing, etc. This budget provision will be of great value to the young consumers in my constituency.

Tory members from the Maritimes, Saskatchewan and Manitoba will be voting against the equalization formula in order to provide additional moneys amounting to \$190 million to the revenue of those provincial governments, to assist in the education and property tax. That is what they will do at 5.45 p.m. They will vote against a change in the capital gains tax as it relates to farmers, limited as it is. They will vote against the change in the basic herd concept, limited as that change is. This should be on the record, Mr. Speaker.

In the few moments that I have left I want to say that this government which bases its philosophy on outdated concepts, as outdated as those of the party to my right, has not yet begun to deal with the real issues; and this budget does not deal with the real issues that face the people of this country, such as the redistribution of income. Although there is a limited redistribution of income in this budget, it has not been carried out in terms of a fundamental change in the tax system, in spite of the cries of some members of the Tory party that the system is unfair to their big business friends.

Further to that, there is a need to revamp our housing programs. There is real need for a strong foreign takeover bill, stronger than the one presented to this parliament, to meet the real challenge of the continual increase in the foreign ownership of our economy. One issue that will tickle the hearts and the fancies of the members of the Tory party is the energy policy. We are facing an energy crisis, and let there be no mistake about it, in spite of the cry from the Tory members from Alberta and in spite of the weak-kneed approach to the whole issue by the Minister of Energy, Mines and Resources (Mr. Macdonald). The government's energy policy is a disaster. It is a disaster when the Minister of Energy, Mines and Resources and the National Energy Board come before the committee of the House and state that on the night of February 1 they did not know whether they had enough oil resources for the month of February.

[Mr. Knight.]

Since one of the Tory members from Alberta is trying to speak up, let me remind him that the Tory members present in the committee said that there is no problem, no crisis; we do not need any quotas or controls, everything is fine, let us export in the traditional free enterprise system. One of the Tory members from Calgary pointed out in the committee a fundamental issue facing the people of this country, that is, the price that we will have to pay for our natural resources if we keep selling our present reserves. We will then have to rely on the reserves in the Mackenzie delta and in the Arctic. If we keep selling them, the consumers in my constituency, because of the free enterprise philosophy of that party in Alberta and of the Minister of Energy, Mines and Resources, will be paying twice as much for their fuel requirements. This is what my constituents will have to do; and this applies to the farmer, the consumer of natural gas in the city, the old age pensioner and everybody else.

What this country needs is a fundamental policy related to the redistribution of income, related to housing, to control of foreign ownership, and above all in this decade we need a national energy policy to answer the real needs of the Canadian consumer.

• (1640)

[Translation]

Mr. Roland Godin (Portneuf): Mr. Speaker, I would like first to congratulate the Minister of Finance (Mr. Turner) on the optimism he has shown in the "Budget Highlights" which he handed out to hon. members on Monday, February 19, 1973.

In this publication, the first words of the Minister of Finance are as follows:

A budget designed to reduce unemployment and to stimulate a more rapid growth

If, as stated by the Minister of Finance, this is the first goal of his department and of the government on the fight against unemployment, we shall be the first to support him as long as the legislation proposed by the government is really adequate.

As the NDP spokesmen said, that party is naturally inclined to support the government as well as the budget of the Minister of Finance where the government states its intention of fighting unemployment.

As to hon. members of the official opposition, I think their feelings have been expressed by their financial critic, the hon. member for Edmonton West (Mr. Lambert) who told the House on February 21:

Coming to the point of unemployment and those massive measures needed to turn the corner, Mr. Speaker, all sorts of proposals have been tried by the government over the past several years but there were still 688,000 people seeking work this last month.

The hon. member for Edmonton West has good cause for being shocked because 688,000 persons had no paid job last January. Members of the official Opposition are undoubtedly right when they state that the measures proposed in the past and still being proposed by the government to combat unemployment will not have the expected results.