

*The Budget—Mr. Caouette*

That hide-and-peek game and that error and trial approach advocated by the government does not forecast anything good, particularly in view of the very tense international situation which we experience at the present time. As a result of federal-provincial conferences which have been held for a few years, it seems that, according to the minister, provinces and municipalities will have to face yearly increases of expenditures of about 8½ per cent for the next five years. On the other hand, federal expenses would increase by 6½ per cent.

The minister said in this respect:

Confronted with our common need for increased revenues, it is natural that we and the provinces will find it hard to agree on the use of different tax fields.

Obviously, the fight will start all over as soon as the Minister of Finance meets the representatives of the Canadian provinces.

We must therefore expect new tax increases for the next five years.

Therefore, Mr. Speaker, the minister seems to say that it is normal, natural and in order that each government, federal, provincial and municipal should struggle to be the most exacting on Canadian taxpayers.

I find it amazing that, under the present system, a false system, no one should compete to be the most useful, the most helpful, to Canadian citizens and the greatest promoter of their freedom and security. But no, it is better to fight to overburden citizens throughout Canada with taxation.

I, with the members of the Ralliement Créditiste, am simply indignant to see how the public property, the Canadian money, is administered. The picture of peace in our North American economy is sad indeed. In peacetime, you find misery in the midst of plenty; in other words, we are living in an era of false affluence; it is a fleeting prosperity torn by strikes, price increases, a deceptive production stagnation in agriculture, with greater and greater budget deficits at the federal, provincial and municipal levels. At present, Canada is at peace, or to be more realistic, in a state of cold war. This is due to what is going on in Viet Nam, and now in Israel or the Middle East.

Now, the minister himself sees the disappointing productivity, increasing prices, more unemployment, a growing national debt burdening every Canadian citizen. The national deficit will reach \$740 million, thereby increasing the interest we will have to pay next year. The interest will no longer be \$1,234,-

000,000 then, but over one billion and a half, that is almost as much as the national defence budget which constitutes the biggest portion of our national budget. What a sad state of affairs we have in times of peace.

But come war, the whole picture changes. Productivity increases, strikes disappear, there is no more talk of unemployment, except as a thing of the past, and we are promised that things past will not repeat themselves.

The same happened during the 1939-45 war. When, during 10 years of crisis, our young people were unemployed, had no security, could not make an honest and honourable living in Canada, for the duration of the war, some went to lecture them in Europe by saying to them—it was hon. Mr. Ralston, then Minister of National Defence and our envoy to Europe: "Fight bravely, shed your blood for your country and when the time comes for you to return to Canada, if you ever come back, then you will no longer experience a depression, hardship or insecurity." That was the promise being made to our young people and, twenty years later, that is in the last three years, the government brings in budgets, saying that we must make war against poverty and hardship, in the midst of affluence in Canada.

What is the logic of our Canadian politicians? Are they anything but a gang of liars before the people and future generations. It is not surprising that our young people are rebels, separatists, independentists, members of the bulldog party in Toronto or elsewhere. Our young people have lost faith in our government institutions, and with good reason. Why? Because the government itself does not respect itself.

**Mr. Latulippe:** It respects only finance.

**Mr. Caouette:** Of course, that is the only thing which is respected. Everyone crawls before the financial system.

In wartime, productivity increases, there are no more strikes, mention is never made of unemployment. With the return of peace, the picture darkens again. As soon as peace has come back, we have misery in the midst of abundance. Does that mean that true prosperity must be attained by bloodshed of our fellow-citizens and our children?

The following question has remained without an answer from the minister of Finances: How is it that we are able to finance ourselves in wartime and not in peacetime?