

Supply

prepared to yield the floor to him. We requested 15 minutes of his time in order to interrogate him on the statement, which indicates that Canada is seeking a quantity of money from the United States. If it is to be believed, we have been told that bonds are being sold in the United States. Apparently there will be a law for Americans in Canada as well as another one for Canadians. Canadians who buy bonds to bolster the economic policies of the government will be required to pay income tax on them, but Americans will be exempt from that tax.

Over the years I have heard the so-called learned gentlemen who sit on the Treasury benches talking about foreign investment. Here we are today in such a state of economic collapse and economic disaster, the worst since the 1930's, having to go cap in hand to the United States to ask them please to lend us \$750 million at a rate of interest higher than that paid by any other country in the western world, and we say that we will not even charge tax on the earnings. There is a law for the Americans in Canada and another law for Canadians. If ever there was discrimination against our taxpayers, that is it, and I hope I get that message across.

● (2132)

To digress for just a moment, I might add that the relationship between Canada and the United States under this government has not been too good over the years, and every backbencher in the Liberal party knows that.

One of our great difficulties in dealing with matters of financial and economic policy is that we are always talking in billions of dollars. How many Canadians know what the budget was in 1965 when we were defeated? How many know what it was in 1968? The message has got across to the public that the national debt has tripled. They know that.

An hon. Member: You mean back in 1963.

Mr. Woolliams: Yes, back in 1963, you are quite correct. I am very pleased that the hon. member has drawn that to my attention. It does seem a long time ago, but when you think back that far you can imagine how awful a time it has been for a Conservative, putting up with this government since 1963. I cannot believe it is that long.

Returning to what Canadians do know about the value of the dollar, they know all the taxes they are paying and that 14 cents of every dollar goes to pay the interest on the national debt, most of which occurred since 1968.

Let us take a look at that economic pie that is put out for the taxpayers in beautiful colour. It shows the share for national health and welfare, defence, and one other, and then it shows the cost of our national debt. As a matter of fact, I think our national debt is third highest.

I do not have much time left, but in the remaining minutes let me deal with what I believe are the two fundamental things causing concern to the average Canadian. His first concern is about his take-home pay. He knows tonight that government expenditures will amount to \$46.5 billion. Who knows what a

[Mr. Woolliams.]

billion dollars looks like? I guess you could stretch it in \$20 dollar bills from Nova Scotia to Victoria and never even miss a link. Perhaps you could even come back again. Our debt is getting close to \$48 billion.

The average Canadian is concerned about his own take-home pay or, if he is a small businessman or a professional, his take-home profit. Taxes have increased and increased and the budget is built in by statutory law. That is the only reason I might have sympathy for the Minister of Finance, if I have any sympathy for him at all.

This government has legislated and legislated to such an extent that it now has a budget of over \$40 billion, and no matter how the minister wriggles and squirms, unless he has a sunset aspect in some of these loans, he has a built-in budget and built-in taxation, and this means less take-home pay for the worker and less take-home profits for the business and professional man. No matter how you look at it, the minister is chained to that situation.

The average man's second concern is in respect of ever-spiralling inflation. The greatest thief of all from the Canadian taxpayer, outside of the high taxes that he is forced to pay, is the thief of inflation. Inflation steals from the weak, from the average income family, from the poor, from widows, from veterans, from everyone. Inflation is the biggest thief of all, but nothing has been done by this government to control it. Is it any wonder there has been a loss of confidence in the Canadian dollar in the international economic process? Not only has the Canadian dollar dropped below the 90 cent barrier, but it is even lower because of the drop in the value of the American dollar in terms of the German mark and the Japanese yen. As a consequence we are really buying on an export market, particularly when you take into account the fact that we have a 65 cent dollar.

One of the greatest aspects or difficulties in respect of inflation is the spiralling cost of energy. The cost has increased not only to drive our automobiles—and an automobile has become a necessity in Canada today—not only to heat our homes, but to run our factories which produce our products. This ends up increasing the cost of consumer goods.

Recently when I was back at home doing a little campaigning a man came to see me to tell me he had started a small factory in Didsbury, Alberta. He is attempting to make galvanized farm bins and Quonset type buildings. He got started nicely and wrote to the steel companies in Hamilton and elsewhere inquiring about the supply of galvanized materials, but he was told they were not able to supply the steel for his factory. He said he had to work it out somehow or another. He was paying \$21 per hundredweight for galvanized steel. These companies now want \$32 per hundredweight. He is relying on steel imported from Japan and West Germany. This is the case at a time in Canada when we have 1.5 million unemployed. This man is prepared to employ 50 to 75 men, and probably 250 within a short period of time. Can anyone imagine this situation in a nation such as this with iron ore resources and many existing factories? Our steel companies cannot supply this man with steel. There has to be something wrong.