

will go, Canadians will pay for that asset twice by borrowing. They will pay for it as far as I can tell, because there is no official announcement about how they will pay for it, through the petroleum compensation charge which will become another income tax, although it will not be represented as such in this kind of a document. Because it will be a petroleum compensation charge levied on gas and oil, it will be paid for by all Canadians, regardless of income. We shall all realize the effects of the failure to include energy tax credit in this bill.

Not only is the Government of Canada proposing that Canadians pay more indirectly for their oil and gas through wellhead levies, but now it is proposing that Canadians pay 50 per cent more than the assets which they propose to buy are worth. Canadians of all income levels will pay for that through their oil and gas without an energy tax credit for either of those matters. This will hurt those who can least afford the bill. That is precisely why the Crosbie budget included an energy tax credit for all households of moderate and low income. One of the tragedies of the re-election of this government is that it has failed to see that. I say to hon. members, if you are going to do what you are going to do, you have an obligation to protect those who can least afford these things, and you have not done it.

I suppose, Mr. Chairman, in a strange way none of these failures to include measures that will reduce the tax take of the government should surprise me. Last night in the late show I made some reference to the Minister of Finance's comments about what the government will take out of the gross national product. Members will find these references in yesterday's *Hansard*. The hon. member for Laval referred to the fact the government plans ultimately to reduce its spending and its deficits. The only problem with that is that the method the government proposes to use will not work, and the numbers which the government uses deny its own case.

If hon. members look in the appendix of the ways and means motion behind the budget on which this income tax is based, and look at table 4.1 in the appendix, which is a comparison of the national and public accounts of Canada, they will find that the Government of Canada proposes to increase its real spending from roughly \$54 billion in 1979-1980 to roughly \$91 billion in 1983-1984. As a percentage of the gross national product of Canada, that represents an increase from 20.9 per cent of the GNP to 22.3 per cent of the GNP. In other words, the government's own numbers indicate it plans to keep taking more out of the economy of Canada. Those are not the numbers the government quotes in the budget. The public account numbers are quoted in the budget. Those are the numbers which are created by taking the national accounts and eliminating from them all the figures which the government nets in.

What that means, for example, is that in the petroleum compensation charge, the government will take the money in and pay it out. It will never show on the books of the government. Any Canadian who does not believe what I have just said only has to read the budget because that is precisely what the government proposes to do, that there should be no

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accounting for that money in the books of the public accounts of Canada. It is on that basis the government claims it is not going to increase its spending dramatically. The real figures show that it is. The government then argues, and this Income Tax Act is to support this argument, that if it takes more out of the system now, as the member for Laval said, and then spends it, somehow the economy will grow again, in fact, in 1983 to 1984, and in 1982 to 1983, we will see a great increase in the GNP in Canada. That is the Minister of Finance's budgetary argument, Mr. Chairman.

If that is an argument which will work, then every Canadian has a right to ask why, having done it for 12 years, has it produced the situation that we are in today? Why are Canadians out of work in greater numbers than before? Why is Canada's inflation so rampant? Why does our dollar continue to fall on world markets? If it is such a good argument to restore the economy of Canada, why has it not worked when it has been used as the single Liberal economic policy to date?

I should mention one small matter, if I may, to correct the hon. member for Laval's figures. He has made a great deal out of Canada's job-creation record. I accept that Canada has done better than some other countries in the world. The premise of the member's argument is that because we have done better than other countries in the world, we should be satisfied. I have never understood being satisfied at reaching 50 per cent or 25 per cent of the country's potential. This country has the potential to keep everybody at work and to be, in significant ways, a much more vital and energetic country than it is today.

It is interesting to note that the figures which the member was using were 1979-1980 figures. This was during the period when we were in power. During the nine months we were in power the private sector of Canada created 300,000 jobs. The government did not do that because government does not create jobs or wealth. The private sector does that. The private sector created these jobs because it had faith in the economic future of this country. Some of that, in my view, was because of the then government. In the first nine months of this government's term, 75,000 jobs were created in the private sector. I suggest, as is true in that area, as it is true in the energy field and also in the investment field, it is because those on whom we must rely to create wealth, jobs, income and security for Canadians, have less faith in this government.

In conclusion, while there are measures in this Income Tax Act which are welcome, the tragedy is the omission of measures that are needed. Because they are not here is another indication that the government, when it was out of office, learned nothing about how to solve the real economic problems in the country. The government is back before us with yet another bill which, in the final analysis, intends to take more out of Canadian taxpayers' pockets because the government believes it can spend Canadian money better than Canadian taxpayers can. It is that philosophy which will destroy the economy of the country.

Mr. McRae: Mr. Chairman, I listened with a good deal of interest to the hon. member for Don Valley West. He has a