

This subsidy has doubled in seven years since 1964 when it was \$150 million.

The survey also shows that the money excused in federal taxes is in effect diverted to an industry which employs less than 10 per cent of the working population, and is predominantly owned by U.S. and other foreign investors.

The best—or worst—lobbyists for these subsidized industries are the provinces, especially Quebec, “eager for the economic growth and jobs they believe the resource industries bring”.

Large corporations would pay a 50 per cent tax if they paid on all their net income, but in practice most companies get tax relief through depreciation and other allowances.

The mining, oil and gas industries get extra allowances.

In 1968, “42 companies which own metal mines reported a profit of \$497 million on which they paid federal and provincial taxes of \$45.4 million, or slightly more than 9 per cent”.

The 145 companies in mineral fuel operations—mainly oil and gas wells—reported a profit of \$340 million on which they paid federal and provincial taxes of only \$40 million or 12 per cent.

The hardpressed printing and publishing industry paid federal and provincial taxes of \$53 million, or 41 per cent, on net profits of \$128 million.

The even harder pressed textiles and mill companies paid taxes of \$37.7 million, or 47 per cent on profits of \$79 million.

When it comes to the high taxes that the textile companies pay, surely the Minister of Industry, Trade and Commerce—I mean Commerce—

Mr. Knowles (Winnipeg North Centre): You were right the first time.

Mr. Gilbert: —should take up the cudgels for the textile industry. But no, he sits like a silent sphinx, smiles and does nothing. I think that if smiling could create jobs and lower taxes, all one would have to do would be to appoint the Minister of Industry, Trade and Commerce to be our next minister of finance, because certainly he brings to his position nothing more, nothing less than a big smile.

Some hon. Members: Oh, oh!

Mr. Gilbert: What about the people who derive large dividend incomes? What about those people who receive these dividend income cheques? Just how does the Liberal Party treat them? No questions are put as to the source from which the money is derived. Was it earned or was it inherited? No, all they want to do is to increase that tax dividend credit from 20 per cent to 33 per cent. I am sure that those people who receive a dividend income are laughing all the way to the bank.

Have you ever seen the boardroom watchers in a stock-market office? These are the Jim Dandy's of society who appear at these brokerage offices at about 10.30 in the morning. They are dressed as though they had just stepped out of Esquire. From 10.30 until three o'clock in the afternoon they stand watching the board, gambling on the stocks. They use all the jargon—“The market is slightly off today; there is a slight dip; the Dow Jones isn't up today.” These are the trademarks of these contributors to the community who sit in stockbrokers offices all day until three o'clock in the afternoon. And then they say, “Isn't it terrible that the workers don't work? Isn't terrible that the welfare people get such large amounts?” It is to these people that the Liberal party says, “We will give you a tax dividend credit which will increase from 20 per cent to 33 1/3 per cent.”

• (2:30 p.m.)

What about the elimination of estate and gift taxes? Surely, their abolition will further stratify the Canadian people into an economic caste system. Many of us shrink and cringe when we think of the caste system in India, but surely we have the same system in Canada. When one reads “The Vertical Mosaic” one gets the full impact of the economic caste system in Canada.

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Laniel): Order, please. Hon. members should allow the hon. member who has the floor to complete his remarks. It is very difficult for the Chair to hear the detailed remarks of the hon. member.

Mr. Gilbert: Thank you, Mr. Speaker. The question just crossed my mind while I was waiting for the pleasant boys on the other side to stop applauding: does the ever-smiling and happy Minister of Industry, Trade and Commerce believe in the elimination of estate and gift taxes? I am sure he would have difficulty answering that question because, after all is said and done, he is a man of compassion, a man of kindness. I wonder if he really believes philosophically in the elimination of estate and gift taxes, and the impact this will have on the further stratification of Canadians in an economic caste system. What does he think about allowing a millionaire to pass on his money to a son, with the people of Canada having to pay the son interest on that money, and with the son not having to pay any taxes? I just cannot believe that the compassionate Minister of Industry, Trade and Commerce would consent to that type of legislation. The government has reversed—

[Translation]

The Acting Speaker (Mr. Laniel): Order. The Minister of Industry, Trade and Commerce (Mr. Pepin) knows that he can ask a question only if the hon. member who has the floor gives him leave to do so.

[English]

Does the hon. member for Broadview accept a question from the minister?

Mr. Gilbert: Certainly.

Mr. Pepin: Mr. Speaker, I wonder if you would kindly ask the hon. member for Broadview if he would be interested in knowing why I was smiling?

Mr. Gilbert: Mr. Speaker, maybe the acoustics are at fault. I just did not catch what the minister said. I think he said something about smiling.

An hon. Member: He wants to know why he was smiling.

Mr. Gilbert: He wants to know why he was smiling? Mr. Speaker, Nero fiddled while Rome burned, and our Minister of Industry, Trade and Commerce smiles while Canadians go down the drain.

The government has reversed the Carter Report recommendations by putting growth before equity and fairness. It has improved the tax position of 10 per cent and worsened the tax position of 90 per cent of all Canadians. It has put the production of private goods above public