

Income Tax Act

What has happened to the consumers? Well, there is no relief. Heating oils have gone up. The prices of natural gas in our particular area have increased anywhere from 60 per cent to 70 per cent. There has been no relief for the home owners, no relief for the aged, the pensioners, or low-income Canadians. There is no relief for farmers and fishermen. When we talk about the excise tax, there was relief for farmers and fishermen under our proposal.

So we have a situation here where there is very grave uncertainty, political and economic. There is deep division, which is the most disturbing element in our country today. There is discord, and bitterness which has developed. I say that is impairing, and will continue to impair, our nation if it is not corrected. To say the least, the state of our country today and the injury which has been inflicted on it, will be a long time healing, because we have a government today which is perceived as governing one half of the country and attacking the other.

And there is no trust. Anyone who travels to western Canada will find that out very quickly. Unless there is trust it will be very difficult to assure co-operation. The situation we are in now is caused by the infliction of unilateral action by the government. It is a process which violates the true spirit of co-operation, the true spirit of federalism, and the true spirit of a partnership. It is caused by the unilateral action with respect to the resource field. I suggest that the actions of the government on both counts is most un-Canadian.

● (1610)

I want to say in all sincerity that unless these policies are modified or changed, this country may not survive. While every political party and every government makes some mistakes—and perhaps some parties have made mistakes that cost them the right to govern—this government is making mistakes that could cost us the country.

I do not want to go into detail on the constitutional issues, and I may deviate somewhat from the text of the bill, but when we speak of the Income Tax Act and Canadians' ability to pay, I want to try to outline some of the difficulties which impair the ability of Canadians to pay. We are preoccupied by the constitutional issue and the energy issue. In terms of the constitution, I think the most important thing in western Canada at the moment is the perception of political inequality. It really is not just a perception, because a real political inequality exists between western Canada and the rest of the country. That should be the No. 1 issue, and it must be resolved. Our present political structure literally shuts off one half of the country from the political process. We should attempt to resolve this issue so that all regions of Canada may participate effectively in the decision-making process. That is one of the things that I believe is a grave error in terms of the constitutional package with which we are dealing.

The constitutional package does not clarify the resource issue, Mr. Speaker, and the amending formula is not acceptable. There are questions about the charter of rights that are so serious it is being challenged in the courts by six provinces.

Those are the things that irritate Canadians and the regions of the country. As a result, we are not delivering because the country is preoccupied with these issues, the economy is suffering, and individual Canadians are suffering.

The National Energy Program is bad for the west and it is bad for Canada; there is no question about that. If the economy is to be turned around, energy has to be the key. It is the key to economic recovery, to economic opportunity, and to allowing the west to take its rightful place in confederation.

The objectives of the National Energy Program are fairness, security, and opportunity. It fails on all fronts, Mr. Speaker. It is unfair to the producing provinces. It constitutes a wholesale and massive intrusion into the area of potential resources in which the average westerner sees the reconfirmation of the pre-colonial status, particularly as it concerns Saskatchewan and Alberta. It unilaterally sets the price at a level that does not match inflation. That is the first time this has been done, Mr. Speaker. It singles out the energy resources of the west. No mention is made of hydroelectricity or uranium. Yet in many respects the purpose of the National Energy Program is to garner funds for the federal treasury. If it is necessary to tax energy, Mr. Speaker, why single out the energy resources of western Canada? I am sure that no government could do that without being charged with lack of fairness, to some degree.

The National Energy Program is unfair to the industry because the federal government can arbitrarily confiscate 25 per cent of producing properties in frontier areas. It is unfair to companies like Suncor which pioneered and developed the oil sands process and was nearly bankrupted doing it. It was subsidized for many years before it showed a dismal profit. It is unfair to Canadian companies, in the words of Robert Blair, president of Nova corporation, who has pointed out that small firms suffer. A report in the *Edmonton Journal* of December 19, 1980, of an interview with Mr. Blair, reads in part as follows:

... serious damage is being done to the small, largely Canadian-owned segment of the industry.

One of the sad things "is the real and psychological damage being done to the smaller, Canadian-owned firms," he said in a Thursday interview.

It is unfair to Canadian companies. It is unfair to the heavy oil industry on which we placed so much of our hopes to achieve self-sufficiency.

Let me speak now about security, Mr. Speaker, in the context of heavy oil. A headline in a newspaper in Swift Current carried the headline "Oil Tax Increase Imperils 400 Jobs Sask. Mayor says". Today we are trying to bail out Chrysler, we are spending \$350 million on a special Industry and Labour Adjustment program, and at the same time are deliberately driving Canadian industry out of the country. How foolish that is, Mr. Speaker.

Each of the little oil rigs that the Minister of Energy, Mines and Resources (Mr. Lalonde) says is really nothing, is worth \$6 million and employs between 40 and 50 people. Every time one of those rigs leaves western Canada a factory is lost