

*Summer Recess*

opportunity to introduce tax incentives brought forward in my government's budget which would encourage the growth of industry and the creation of jobs in areas of regional disparity already bearing much more than their share of unemployment.

What measures has the government introduced to deal with inflation? What have ministers been considering? Well, they have been considering one item in particular on the question of inflation, and that has been the prospect of bringing to an end the system of indexing in this country. This will have two effects upon the people of this country. One, it will swell the revenues of the Government of Canada by a back-door tax, a tax that makes the Government of Canada a profiteer out of the inflation it is supposed to be fighting. That is one thing it will do.

The other thing it will do is this: the attempt by the Liberal party to end indexing, the attempt they are studying and planning to implement today, the attempt they refuse to repudiate, this attempt by the Liberal Party of Canada to end indexing will place a particular burden upon lower income Canadians. It is a most inequitable tax, it is a tax upon the poor, and I am shocked and chagrined to find that the Parliamentary Secretary to the Minister of Finance (Mr. Evans) should sit laughing in his place while we discuss a tax which will put a special burden on low-income Canadians.

**An hon. Member:** Look, he is just sitting there laughing about it!

**Mr. Clark:** In fact the typical taxpayer in Canada would see his or her taxes rise by \$1,564 between now and 1985 if the Liberal government proceeds with this proposal which it is actively considering now. This proposal would sneak in a tax increase which would hit hardest at the poorest in the country.

Mr. Speaker, I want now to talk at some length about a major question which has not been addressed by this government, one which has not been addressed since February, a problem which our government addressed directly and fully during the period in which we held office. That is the question of energy. This Liberal government has been guided in its energy policy by two considerations which have nothing to do with the energy security of Canada and which have nothing to do with the energy opportunities for Canada. I suspect, with the deepest of regret, that one of those considerations is the temptation to use legitimate differences over energy prices as a means to inflame the opinion of the majority of Canadians who live in consuming provinces against the minority of Canadians who live in producing provinces. To do this cynically in the interests of building a case for a certain kind of constitutional reform is totally unacceptable.

There is so far no firm evidence that that is the motive of the Liberal party. However, in recent days we have heard Liberal members of Parliament proposing that fundamental national policy on pricing be directed by public opinion polls on resource jurisdiction, however deeply that might rend this country, however deeply it might divide us. I can find no other reason for the failure of the federal government to negotiate seriously an energy agreement with Saskatchewan, with Alber-

ta, with British Columbia, until a week before the expiry of the June 30 agreement; I can find no reason whatsoever for the failure of the federal government so far to have made any reasonable proposal to the producing provinces when there are only about two weeks left in the extended agreement. If there is a reason, it is well hidden. If there is not a reason, then there has been an absolute dereliction of responsibility, not simply to the citizens of this country but to the security of this country.

**Some hon. Members:** Hear, hear!

**An hon. Member:** What is your policy?

**Mr. Clark:** I am asked by members of the NDP what is the Conservative policy on energy matters. They know. They know, because they voted against it on December 13. What they voted against was more Canadian control over Canadian energy. And they applaud voting against that. They voted against security of supply for the Canadian community. And now they are applauding themselves for voting against security of supply. They voted against a tax credit for low income Canadians who needed the help to meet the price increases for energy which are inevitable. And now, that New Democratic Party, that haven of hypocrisy, is congratulating itself for voting against the poor, for voting against security, and for voting against Canadian ownership.

**Some hon. Members:** Hear, hear!

• (1530)

**Mr. Clark:** I notice that now Liberal members of Parliament opposite are applauding. They are applauding their action in voting against Canadian ownership, as the Liberal party voted against Canadian ownership on December 13. The Liberals are applauding themselves for voting against low-income Canadians because they voted against tax credits to low-income Canadians on December 13. The Liberal party, naturally, given their policy, is congratulating itself for voting against security of supply because that is what Liberal members voted against, and in that, clearly, they knew what they were doing on December 13 because they have shown no interest at all on any day since in making this country secure in our domestic supply of energy or in protecting this country against being a hostage to foreign nations in energy policy.

That brings me to the second consideration. It is a consideration which has nothing at all to do with energy security and nothing at all to do with taking advantage of the great energy opportunities of Canada. The second consideration which is guiding the Liberal government is simply Liberal party politics.

In the last campaign the Liberal party proposed an energy policy which hon. members opposite knew was dishonest. The Minister of Energy, Mines and Resources (Mr. Lalonde) admitted that last night when he introduced a gas export that he had opposed absolutely in opposition, and when he broke his word at least four times in relation to promises he made before the February election. Before the election the Minister of Energy, Mines and Resources and the Liberal party said