

women out of the family allowance. Here we have 31 cents a month. The Government is chiselling the children of Canada. What we have is one cent a day per child.

The Tories attempted to chisel senior citizens out of their full indexation. What happened? They found out that that did not wash, and they backed away. The National Council on Welfare noted in "Giving and Taking: The May Budget and the Poor" that in 1982 while those earning \$50,000 and over accounted for only 18 per cent of total tax filers, they accounted for 63 per cent of the total benefits accruing under the capital gains provisions. Those are not the ordinary Canadians most of us represent who are in Atlantic Canada, in northern Ontario, Manitoba, northern B.C. and in the prairie provinces. Those are not the ordinary Canadians. Some of these people have earned over \$50,000 and paid no income tax at all.

What about the corporations? The other day I toured the Falconbridge mines. They just bought the Kidd Creek mines for \$650 million. The President, Bill James, was boasting that Falconbridge has not paid a penny of federal or provincial income tax in the last three years. He was proud as punch to tell me that. Does everyone not have a responsibility to support the country? Does everyone, including the Government, not have the responsibility to ensure that everyone in society pay according to their ability? That is a good socialist principle: From each according to his ability and to each according to his needs. That seems to me to be as applicable today as it was when it was first uttered.

• (1620)

Mr. Clark (Brandon-Souris): What was their taxable income?

Mr. Rodriguez: Oh, of course, after you gave them all these generous write-offs, depletions and tax expenditures! Do you want to talk about the tax expenditures? Take a look at this.

Mr. Crosbie: You were written off yourself.

Mr. Rodriguez: All you have to do is collect what should be collected and you would not have a deficit. Why do you have to keep taking it out of the hides of ordinary Canadians through all kinds of sales taxes? Why not collect what you are supposed to collect?

Mr. Crosbie: Where is it going to come from, you turkey?

Mr. Rodriguez: There is a biggest turkey I ever heard, the Hon. Member for St. John's West (Mr. Crosbie).

Mr. Crosbie: The hon. gobbler from Nickel Belt. You were written off yourself; now you are recaptured depreciation.

Mr. Rodriguez: Here is the moccasin lad whose Budget—

Mr. Crosbie: Don't try and hurt my feelings.

Mr. Rodriguez: —was rejected by this House and who caused his friend, the Secretary of State for External Affairs (Mr. Clark) to go down in ignominy.

Income Tax Act, 1986

Mr. Crosbie: They are bound to find you there, wherever that is.

Mr. Rodriguez: There he is, the near leader of the Conservative Party.

Mr. Clark (Brandon-Souris): Which side were you guys voting on then?

Mr. Rodriguez: Mr. Speaker, here are the kinds of—

Mr. Crosbie: It was the reds leading the dead.

Mr. Rodriguez: —tax give-aways which really structure the inequalities in the system. This is from an advertisement in the Vancouver *Sun*. It says that this is Canada's last great tax break. If your annual taxable income is over \$70,000 you can deduct up to \$165,000 over four years and own an income producing hard asset with 100 per cent borrowed funds.

Here is another one. It is called a tax shelter. It asks why you should buy a vacation vehicle tax shelter. Because each \$1,000 of initial investment can generate \$2,640 in first year tax savings and up to 43 per cent first year write-offs. That is the vacation vehicle tax shelter. It tells you to act now and receive a 60 per cent tax write-off in 1985. You can get a condominium in the Harbourfront Hotel limited partnership. I do not know any folks in Nickel Belt who would be able to play fast and loose with these kinds of tax evasion schemes. Yet it has all been legalized. I do not see the Tory Government, which is so concerned about a fair tax system, moving to change any of that sort of give-away.

I accuse the Government of discriminating against lower-income Canadians. An example of that is the RRSP and the RPP.

Mr. Riis: Isn't that to help ordinary Canadians?

Mr. Rodriguez: Yes, these are non-taxable contribution limits. In 1986 it will be \$7,500, in 1987 it will be \$9,500, in 1988 it will be \$11,500, and \$15,500 in 1990. We oppose this because we believe that it will benefit upper-income Canadians to the detriment of lower-income Canadians. I accuse the Government of using the same rules but different laws with respect to this particular item and unemployment insurance and I will give an example. The Government made a change in the Unemployment Insurance Act which says that pension income will be considered earned income for UIC purposes. That became effective January 1, 1986. Yet in the RRSP provisions the Government says pension income is not earned income. That means a pensioner cannot set up a spousal RRSP because according to one law it is earned income and according to another it is not. Under tax law it is not earned income for setting up a spousal RRSP, while under the Unemployment Insurance Act pension income is earned income. You can't suck and blow at the same time.

Mr. Crosbie: You can!

Mr. Rodriguez: You cannot have it both ways.

Mr. Crosbie: You are doing it now.