

When a Canadian-based drilling rig is forced to move from Canada and operate in Texas it buys its trucks from Michigan, not from Ontario. That means that jobs that could be provided here in this province are being drained away and provided in the United States, because we are driving Canadian investment out of Canada.

Of course, there is always the fear of an NDP government coming into power in this country. That would be a nightmare. This country would be absolutely finished because it would be NDP policy to nationalize all 700 oil companies in Canada. Hon. members can imagine what a mess that would be.

My leader went on:

The special victims of the present Liberal policy are Canadian companies and Canadian workers, and because these Canadian energy companies have been so successful and so innovative, when Mr. Lalonde drives them out, he drives out the best performers in the Canadian energy industry. It's a sort of reverse reward for Canadian excellence; if you prove you are good, Marc Lalonde makes you leave.

There has been no indication from the Minister of Finance or from the Minister of Energy, Mines and Resources that they will reverse any of this policy which is having such a devastating effect. Perhaps they are just holding us in abeyance. I certainly hope they will reconsider the provisions in the budget, Bill C-54 and the energy policy because this country is being absolutely devastated.

Let us hope and pray that there will be a reversal in the very near future.

Mr. Gordon Towers (Red Deer): Mr. Speaker, there are a few points I would like to bring to the attention of the House at this time. I am glad to see that the government House leader is here to hear what I have to say.

First, the government should recognize that it is leading us on a disastrous course. It is unfortunate that this is happening because the eighties could have belonged to Canada. Instead, as we go into this new decade it seems that Canada will become a slave to the eighties. That is not necessary, but it will happen because of the direction in which the government is leading us.

I notice that there are 224 pages in Bill C-54. I wonder if the government recognizes what it means when it has accountants making out income tax forms for all those people who have to pay income tax. This is costing Canadian taxpayers more and more as time goes on. This is something to which nobody seems to give any thought, but there is no doubt that when Bill C-54 is passed, as I suppose it will be by the government majority, officials from the department will have to go out to all parts of Canada and meet with accountants in different offices across the country where income tax forms are filled for Canadians. I wonder if anyone has ever assessed what the cost involved will be, first of all, of sending out officials to instruct accountants as to the meaning of Bill C-54. I am sure that there are many accountants in Canada who would agree with me when I say that on occasions the officials who go out from the department are not very cognizant of what is meant or stipulated in the legislation.

Income Tax Act

● (1630)

A further difficulty is encountered with complications having to do with arm's length deals. As you know, Mr. Speaker, these situations are controversial, sometimes it is hard to establish what is right, what is wrong, and what is expected. This creates problems for the accountants, and it certainly creates problems for the Canadian people who are caught in this situation. I would rather see a simpler system adopted.

Surely ways and means could be developed to establish a simplified form of taxation which would not require fairly large companies to use one member of their personnel to do nothing else but keep up with the changes in the tax structure established by the government. I am sure that this is what will happen when Bill C-54 is passed. You must take into consideration the cost borne by individuals who have to rely on advice given to them by officials of the department with regard to the tax they have to pay.

I have to warn the government that in the past tax systems have destroyed countries. All one has to do is to look at world history to see what happened to countries overburdened by their taxation systems. I think that this is what is happening in Canada today. I hope that the minister is aware of the fact that Canadians are now reaching the point at which they will start rebelling if an increasing tax load is placed on them. We see it happening all around us when bankruptcies take place at an increasing rate and when people are put out of work, as is the case now.

We are experiencing now the highest unemployment rate in Canadian history. What does this mean? It means that in the year 1982 the crunch will come. Certainly people will pay their income tax this year because 1980 has been a fairly good year, but 1981 will not be such a good year and therefore there will be many refunds at the end of that year. That is when the crunch will come. At about that time we will have to face up to the reality that our oil production will be going down and we will have to use more and more of our taxation dollars to pay for the subsidy. Goodness only knows it is too high now, but under this administration it will go up even higher.

There are people in our community who phone me quite regularly, such as a welder's company, which had employed 40 welders. How many do they have working for them now? There are only 11 there now. This means that 29 welders will not be paying income tax or, if they are, they will be paying very little of it in 1982. It is the same story throughout. Those welders will not be buying cars, trucks or clothing which they would ordinarily buy. This will snowball right back into central Canada. As has been pointed out by my colleagues, of the \$7 billion spent on the oil sands in Alberta, \$4 billion or \$5 billion will come back to Ontario. We have not felt the crunch yet, but we are starting to feel it in Alberta. As I said, people are not working as they should be. The crunch will come several months down the road.

It breaks my heart to see a minister of this cabinet, a Canadian, the Minister of Energy, Mines and Resources (Mr. Lalonde), mislead the House—I will not say he does so