

is a joint tenant, has the right of total inheritance. May I have the minister's attention, please?

Mr. Deputy Speaker: Order, please. Will the hon. member please address his remarks to the Chair?

Mr. Lambert: Excuse me, Mr. Speaker. To continue the point, the husband being the joint tenant will be entitled to half of the proceeds, either on disposition by sale or entirely if his former wife should die. The spouse in this case, the mother looking after the children and the former home, is saddled with paying the income tax on the part of the payment she makes on behalf of her former husband, but he gains the entire benefit.

If the minister will reflect on that she will see that these women, who have not carefully thought out their settlements and whose lawyers have not done so either, have saddled themselves with an unjust proposition. Some of them ask why they should have to pay tax on the allowance for their children. They are allowed the children's allowance under the Income Tax Act, that is for dependent children, and therefore one counterbalances the other. I will say, however, that I think it is high time we looked at it again. We should look again at the children's exemption for those who are in receipt of family benefits, because that matter has not been touched for a considerable time and it is subject to review. That is not the only place where we could amend the Income Tax Act.

Now let us look at the Income Tax Act. I do not wish to speak directly to the minister, but I do not think that any of my remarks now reflect directly on any of her duties. So if she has other more pressing matters, I will understand.

When one looks at this bill, one sees the provisions of the budget of December 11, 1979, with some serious exceptions to which I will refer. There are some provisions in the December 11, 1979, budget which were a carry-over from the preceding budget of the now Minister of Justice (Mr. Chrétien), which had not been incorporated into law. I have found some instances in the bill which go back to 1977. There is a thread which runs from 1977 through 1978 to 1979. There are areas in Bill C-54 which do not tie in with the budget of November, 1979. There has been a conspicuous elimination of relief for farmers under capital gains of permitting them transfers into registered retirement savings plans. This was to give them an additional one-shot relief from capital gains; but, no, that has been eliminated from this particular bill. Then there is the liquidation dividends paid to non-residents. Any reference to those in Bill C-54 has been eliminated. The definition of a Canadian corporation has been eliminated from this act. Worse still is the elimination of any energy tax credit.

● (1610)

I find rather touching the words of the minister on Friday afternoon when he said, as reported at page 6283 of *Hansard*:

The slowdown in spending growth will be achieved in significant part by removing the burden of financing petroleum compensation payments from the general government revenues and putting it where it belongs. While this burden will be shared by consumers they will still pay less for energy than if we had moved more rapidly to international levels.

Income Tax Act

The point is that there is nothing but irrelevancy after irrelevancy, and total falsehood. I would not say the minister was deliberately misinterpreting the energy tax credit and the related features in the budget of December 11, 1979. But the energy package at that time—the 18 cents, first of all, was destined to cover the additional premiums due to be paid to eastern refiners to keep down the additional cost of fuel which would be purchased in the year to come. In other words, there was to be a reduction of that damned fool subsidy.

It is the most idiotic piece of hocus-pocus that has ever been perpetrated on the Canadian people—to subsidize the consumption of a decreasing natural resource while refusing to pay to Canadian producers anything approaching the market price of that commodity. It is brainless. The French pay nearly \$4 a gallon for gasoline. It is the same thing with the Germans, the Japanese, and the British. The Americans are paying considerably more than we are. In fact, in many states Americans are paying over \$2 a gallon. Here the Canadian public is being told, "You poor darlings, you cannot pay more than \$1.25. We will pay Alberta and Saskatchewan oil producers 40 per cent of the world market price." Under the agreement between the Clark administration and the Alberta administration the level was to be 75 per cent of the Chicago price, or the world price, whichever was lower. That is a vast difference. The people of Canada were deliberately bamboozled by people who knew, or should have known, what they were talking about. They kept telling the people of Canada, "You shall have candy. The other people will take your candy away from you."

In that statement by the minister on Friday he said "The slowdown in spending growth will be achieved"—Ha! In other words, the rate of spending will not increase quite so fast, even though it is increasing beyond our control, because we have no control over the price we will pay offshore. If Venezuela, Kuwait, Saudi Arabia or Iraq decide to increase their petroleum \$10 a barrel tomorrow, that is precisely what Canada must pay. Of course, the federal purse will take it in the neck. Everybody else adjusts to it and others out-compete us.

The song we have heard about Canadians being able to compete is downright foolishness. They cannot even compete now when they have a three to one advantage. There is something wrong somewhere. Either the cost of production through mismanagement, or the unit cost of production through our manpower is too high, or simply our unit cost of production is too high on a restricted market. Whatever the reason may be, it is not the cost of fuel—it would never be the cost of fuel.

Those people using natural gas are receiving a real break. And what advantage do they make of it? Nothing. All we hear are gripes that we are being out-competed from abroad and "we want this protection, this quota imposed." They want this and they want that. Canadians have become a "we want" society. It is high time Canadian society learned the facts, particularly people in central Canada. Yet the minister says "The slowdown in spending growth will be achieved in signifi-