

Government Orders

additional revenue that the government had at its disposal. From 1985 to 1987 on the unemployment insurance draw there was close to \$40 billion less than what we had from 1980 to 1984 because we were experiencing a recession. The member talked about having to service the debt. They had close to an extra \$80 million to \$90 billion of added funds that they could have used at their discretion.

I do not think the member can talk about having to service the debt they were left with without talking about the fact that they also took in an extra \$80 billion in added revenue.

[*Translation*]

Mr. Vincent: Mr. Speaker, I just want to tell my colleague that he is wrong in saying that I did not inform the public properly. I said very clearly just now that 70 per cent of the \$29-billion difference between 1984 and 1992 was due to less government spending and that 30 per cent was from higher taxes. I said so clearly and I want to say it again to the hon. member. I did not try to say that we did not raise taxes. I said that we did, and I did not say that anyone liked it. I pointed out that 30 per cent of everything that the government had done came from tax increases and that 70 per cent was due to government spending cuts.

[*English*]

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, I have just a few comments concerning this bill. The parliamentary secretary and the minister used the same words when they said: "Tell us where to find the money". "Tell me", he said, "where to find the money".

The ordinary person must think the Government of Canada has loads of money. After all, it just gave hundreds of millions of dollars to an oil company to get out of the Hibernia project. It was disclosed that the Government Canada was able to guarantee hundreds of millions of dollars for another oil company to develop an oilfield in Burma.

There are methods of granting large sums of money to people who do not really need it, especially if they are going to develop an oilfield in Siberia as is the case with Gulf Oil. It decided the other day to pull out of its commitment to an oilfield in Canada and to spend some

money in Siberia. It was disclosed that it was receiving back every penny it spent in Siberia. It was also disclosed that Petro-Canada would be getting back every penny of what it spent in an oil development in Burma.

Ordinary Canadians look at that and say that the Government of Canada must have loads and loads of money. That money is granted through a mechanism in the all-party committee report to which the hon. member for Windsor West and an NDP member referred in their remarks. It is called tax expenditures. The concept of tax expenditures was introduced back in 1967 by the assistant secretary of tax policy for the United States. He said at that time that if somebody was given a \$100 tax break, it was the same as giving the person a \$100 cheque. That is okay, but it depends on whom the money is being given to.

The minister of energy stood in the House the other day when I asked him a question about why the Government of Canada would be giving every penny back to Gulf Canada, to be deducted from the income tax it owed in Canada for its development in Siberia. The minister of energy said: "Yes, that is true, 100 per cent".

Then he made a remark outside the House which was quoted in the press, saying that the company had taken advantage of other tax expenditures in the past. He made reference in the House to the Little Egypt Bump, which only tax experts, tax lawyers or tax accountants would know the meaning of.

Mr. Mills: And very few of them, too.

Mr. Baker: As the member for Broadview—Greenwood just mentioned, very few of them.

An hon. member: Oh.

Mr. Baker: An hon. member of the NDP just made a remark. He obviously does not realize that the law permitting Gulf Canada and Petro-Canada to deduct every penny from their income tax was amended in 1985 and 1988.

For your own edification, Mr. Speaker, the Little Egypt Bump takes its name from a belly-dancer, as I understand it, from Cairo who made quite a splash in Chicago at the turn of the century. Her name was Little Egypt and somehow the experts, this closed, tightly knit fraternity of people who make judgments, said: "Let's call this tax break the Little Egypt Bump because only