

*Excise Tax Act*

government is the best weapon the NDP has at the moment.

We are prepared to put \$200 million into housing. When this fellow in Montreal gets through with us on the Olympic project, the taxpayers of this country will pick up a deficit of at least \$340 million. Where are our priorities? Where is the leadership which should be shown by the federal state? It is sadly lacking. People in the cities cannot afford to own a home and they are being forced to move to outlying communities, as I said before. Once they move to places they can afford, lo and behold, they get nailed by this excise tax. Just what is the rationale behind this action?

Perhaps the government is consistent in the way it treats the working class and the rich people, the wealthy, the owners. Perhaps all those people are treated in the same way. Unfortunately, we find that that is not so. For example, we find that the wealthy do very well in our free enterprise system. In the November budget some Canadians received a maximum rebate of \$750, which is now reduced to \$500. The only comparison I can think of which would have the same effect is that of a flea climbing up the leg of an elephant with intent to rape. Imagine that! There are 6,000 people who are hurting as a result of that tax bite. What else does the government do? At page 21 of the budget I find the following statement:

I am there proposing to introduce an investment tax credit as a temporary extra incentive for investment in a wide range of new productive facilities. The credit will be 5 per cent of a taxpayer's investment in new buildings, machinery and equipment which are for use in Canada primarily in a manufacturing or processing business, production of petroleum or minerals, logging, farming or fishing. The cost of new, unused machinery and equipment acquired after tonight and before July, 1977, will be eligible.

INCO has done it again, INCO and the oil companies. On budget night the government again handed them millions of dollars of taxpayers' money so they could continue the rip off, sell out and ship out raw materials from this country. Then the government turns around and says to the taxpayers, "You, the working taxpayers of this country, must support these poor companies because they keep you employed". That is the biggest line of horse manure I have heard for a long time.

**An hon. Member:** Listen to yourself.

**Mr. Rodriguez:** With regard to the whole question of taxation, perhaps we should ask who, from among the Canadian population, earns how much, or how is income distributed in Canada? You must remember the years and years of government tinkering with the Income Tax Act. When we look at the income figures in this country we find that the bottom 40 per cent of Canadians have consistently shared around 16 per cent of the total income. The average share of the bottom 40 per cent for the last five years in the 1960s was 15.7 per cent, and for the top 20 per cent it was 42 per cent. In the early 1970s the share of the bottom 40 per cent declined only slightly, and that of the top 20 per cent increased. Remember, this kind of redistribution has not changed—the rich stay rich, and even get richer, and the poor get poorer.

[Mr. Rodriguez.]

After years and years of tinkering around with the income tax system, the income tax policy should have as its basic and fundamental principle a distribution of wealth in this country which would ensure that we have equity and that those who produce wealth in Canada share equitably the fruits of their labour. We do not find that in the government's budget which was brought down the other day. As I have said, my constituents in Nickel Belt have complained bitterly about it.

In conclusion, I would like to read a letter which was sent to the Minister of Finance by one of my constituents, Mr. Les Chayka of Coniston, Ontario, which is in my riding. He wrote:

I would like to offer a few words on your "screw the people" budget as well as my condolence on your possible departure from politics. That is what is being said after the hoax perpetrated by you and your advisers. I have no doubt at all you will retire to contemplate what went wrong. Now my views on your "do nothing budget".

It's a strange type of restraint you and your gang are practising. The federal bureaucracy will expand by about 6,000 jobs while there will possibly be 15,000 fewer jobs in Ontario. Well done; after all, there is a chance those 6,000 may vote Liberal, but even they must drive to work so it is a risky proposition to count on them.

I hate to mention this, but in this area most drive to the mines and smelters up to 100 miles a day. Those that do drive any distance are certainly grateful to pay the 15 cents a gallon more for gas. After all, it is an economy move as you claim and it will help to increase revenue to assure Mr. Trudeau more funds to travel and explain why the increase took place. Added to this we must not forget the 45 per cent increase in heating gas for heating the home, but then we should be thankful our cold weather in northern Ontario lasts only seven months and not the full year.

I should not burden you with stories of hardship facing pensioners, those on fixed income and widows, etc. They may have a problem having ends meet, but then they can stay warm inside by drinking that cheap wine; after all, they will save a whopping 6½ cents a bottle. Will miracles never cease? I see no reason to take a negative attitude if more of them will be forced to go on the welfare rolls.

As to the rumour there will be more unemployment, it is not true; it is only people out of work who complain and start these rumours.

By the way, I'm sure Bob Nixon is happy that you assured Bill Davis of his re-election. After all, why should Nixon be burdened with the problems of the federal government created for the province?

Some might even think that you and P.E.T. have gone too far this time by calling this joke a budget. Those that feel the pinch and are hungry can call on their glorious leader, P.E.T., and he most certainly will send one of his \$80,000 cars and invite them for a snack at the pool-side. After all, we pay the shot for his \$15,000 to \$30,000 grocery bill, but then if he plans on following the now famous Turner austerity program he might have to eat bologna and infected hamburg like the rest of us.

● (1700)

Do you know, some people have gone so far as to call for mental check-ups for the cabinet.

**Mr. Deputy Speaker:** Order, please. I regret to inform the hon. member that he has gone two minutes beyond his time. I tried to allow him to complete reading the letter, but it seems to be a very long one. Unless there is unanimous consent—

**Some hon. Members:** Let him finish the letter.

**Mr. Rodriguez:** Thank you, Mr. Speaker.

We know better; it is not arrogance, as the papers claim, or stupidity as others of the media say; it is good old Liberal politics with all the gibberish that the Liberals have a natural gift for. Why, for example, the artificial gunk on medicare is just misunderstood by the public.