

vania sitting in Pittsburg in connection with Westinghouse subpoena directed to Gulf Oil Corporation and received by the Judge, Tuesday, August 2, 1977 at 10.00 o'clock a.m. and referred to in the open hearings on Friday, August 5, 1977.

Motion agreed to.

Mr. Pinard: I ask, Mr. Speaker, that all the remaining notices of motions be allowed to stand.

Mr. Speaker: Does the House agree?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[English]

INCOME TAX ACT

MEASURE TO AMEND

The House resumed, from Tuesday, November 8, consideration of the motion of Mr. Chrétien that Bill C-11, to amend the statute law relating to income tax and to provide other authority for the raising of funds, be read the second time and referred to committee of the whole.

Mr. Jake Epp (Provencher): Mr. Speaker, I want to continue this afternoon the remarks I began last night. Frankly, it is with a heavy heart that I rise to speak at this time. The reason is because we are dealing with a bill that includes some measures which, it is to be hoped, will ease the economic malaise in which Canadians find themselves. However, after only an hour and a half in this House we find that we, not only the opposition but the people of Canada, are faced with a government that has lost the will to govern.

There has to be a relationship between the people and those who govern. That relationship and that trust have been destroyed by the government. That is part of the malaise, namely, that this government cannot be trusted. That is borne out day after day in this House during question period. If one looks at the economic situation that Canada faces, it is borne out there in very grim terms.

It is not my words that are important on this subject. Let us look at what the Economic Council of Canada said in its fourteenth annual report entitled "Into the 1980's". I quote from page 75 of that report:

—there is little hope of achieving simultaneously a low unemployment rate, a low inflation rate, and sound equilibrium of the current account balance over the next five years.

That means at the present time young Canadians under the age of 25 have already doubled the unemployment rate of the working public. It means that young Canadians coming into the labour force for the next five years will be faced by the same considerations of high inflation, and lack of opportunity which is surely the responsibility of Canada to give to its young people.

Income Tax

While I concede that one cannot put the entire blame on any one government—federal, provincial or municipal—the fact is that this country has been governed by the Liberal party since 1963.

Mr. Lumley: Hear, hear!

Mr. Epp: While the Parliamentary Secretary to the Minister of Finance (Mr. Lumley) says "hear, hear!" I believe that, as an honourable gentleman, he will admit that the record today is dismal and we can take no pride in the economic leadership of this government.

Mr. Lumley: Never!

Mr. Epp: If he cannot accept that, then he is probably the only such Canadian.

I have a further article entitled "A Walk Through the Wonderland of Deductions". Referring to inflation and the economy generally, it reads:

The key problem however, is that many of the big spending decisions of the past decade were made with little consideration of the longer range demands these programs would make on government revenues. Governments introduced a series of programs that are individually desirable, and that have clearly enriched the lives of many Canadians. But the result is that, as the federal government admitted in 1975, it has lost control of 80 per cent of its expenditures and has been unable to adapt its spending to the changing circumstances of Canadian economic growth.

● (1602)

In conclusion, it reads:

It is, after all, still our money which provides governments with their income. Many Canadians have reached the conclusion that the whole country would be better off if the individuals who make the money have a greater opportunity to say how it should be spent. It may be too much to hope for our deductions to go down. But it will be a major accomplishment if we can prevent them from going up.

Reference has already been made to the unemployment rate. Despite controls, inflation has risen to levels higher than government targets. Whether the government admits it or not, it is locked in to a great extent because of increases in energy costs and the fall in value of the Canadian dollar. There are factors in the inflation picture which the government cannot control. Trade imbalance and the flight of capital have also been referred to, and I do not intend to deal with those subjects at the moment.

Going directly to Bill C-11, I call the attention of the House to the fact that today, again, supplementary estimates were tabled. I do not know how much more expenditure we are contemplating now because I have not yet seen those estimates. But we are already facing a deficit of \$9.2 billion in one year. As the minister knows, deficits will not occur only as a result of excessive spending. They also occur when there is a fall in the amount of revenue expected, and revenues are down tremendously because Canadians lack confidence in the economy and in the leadership of the government.

It is one thing for this generation to have to foot the bill for our spending. What concerns me a great deal more is that we are asking future generations of Canadians to bear the consequences of the lack of leadership shown by the government.