

doing is taking from the capable, those who can create employment, and giving to those who are going to cost us employment. The cost of these bail-outs is unrealistic in terms of jobs.

Speaking of Canadair, in the Challenger Jet we now have Canada's newest Concorde. And speaking of de Havilland, why we are spending money to build an airplane, the A-320 Airbus, when there is a total lack of demand for commercial airplanes in the world, is beyond my comprehension.

The next thing we have to do, and we have already spoken of this but I will mention it again briefly, is to control seriously the propagandist efforts of the Government. There is no way that public money should be used to propagandize the political efforts of a political Party just because it is in power.

• (2130)

We must look very hard at the National Energy Program. This country has more petroleum resources than probably any country in the world. We certainly have more petroleum resources than the entire Middle East in the heavy oil deposits, the ordinary deposits, the tar sands and the like in western Canada. In addition we have deposits, perhaps not proven out enough, in the Beaufort area and on the east coast. In fact, we should be exporting petroleum. If we want to make ourselves self-sufficient in petroleum, we must allow the industry the incentive to go ahead and export if it has a surplus.

One thing which is holding back exploration right now is that there are all sorts of capped gas wells and 100,000 barrels of petroleum being held back from markets because it cannot be sold. Such an effort at self-sufficiency is wrong. We will not become self-sufficient by keeping our reserves buried in the ground and by preventing people from exploring and developing new reserves. The National Energy Program must be reversed. The whole question of employing bureaucrats to administer PIP grants, to pay one oil company because of its share of ownership more money than another, or to worry about whether a company is 50 per cent or 80 per cent Canadian-owned or foreign-owned, really does not have much to do with finding oil, making jobs and building Canada. We want to become self-sufficient. We want to create employment. If we looked at the world we could probably say to some countries such as Japan, for example, that we could give it an assured supply of petroleum; that if the Japanese wanted to invest in a tar sands plant, we would guarantee them so many barrels of oil per year as long as they put up the money. If that kind of negotiation took place, I suspect we could obtain the money and put people to work.

Also I suspect that we would create perhaps 150,000 to 250,000 new jobs in the energy field if we would just get away from the National Energy Program, reverse it 180 per cent and get on with it. Energy resources buried in the ground are not worth anything to anyone. It reminds me of the situation in a place called Belle Isle, Newfoundland. Iron ore reserves were found in that area in the 1880s. Mines were started in the 1890s and carried on until 1966. If iron ore had been found in Belle Isle today, or even ten years ago, no one would have dug it out because mining methods changed, productivity changed and the way we do things changed. That ore would have stayed

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bottled up forever. We could well wind up, in an effort to be self-sufficient in petroleum, leaving tar sand deposits buried forever, leaving heavy-oil deposits buried forever. It is time to look at our resources and to take advantage of them. God gave them to us. Let us do something to put our people to work.

I made some complimentary comments with respect to the Minister's efforts in his statement yesterday, but he did not address the issues of capital cost allowance, soft costs, reserves or life insurance and annuities. The changes made in our tax system on November 12, 1981 were anti-entrepreneurial, anti-growth and anti-employment. Those changes must be reversed. We must return to the tax system which we had before November 12, 1981.

The Government has already gone through 45 changes or so to that budget. The budget of November 12 is shot full of holes. No one knows where they are going. I call upon the Minister and the Government right now to get back to realism. Let us abolish the November 12 budget, write it off as a bad job. The Government has already shown that it is a bad job. It is time to get down to realism and to get rid of that budget completely.

Next we must have some tax simplicity. Last summer the chartered accountants, lawyers and specialists in income tax came before the Finance Committee. They made clear to us that there was no way that they could simply fill out their own tax returns. The Chairman of the Committee from Coopers and Lybrand told us, "When you get into that field, I am really not quite sure; I will have to have my colleague answer the problem". In other words, the Income Tax Act has become so complicated that even leading chartered accountants cannot be sure as to what are the tax implications with respect to a transaction. They go one step further and say, with respect to small business taxation, that it is far more complicated than large business taxation. People are not able to calculate their taxes or plan their businesses. The problem, when people are treated that way, is that they wind up avoiding tax, evading tax, just not paying tax or dealing in the black economy. This will cause the country untold problems. Therefore, the first thing we must do immediately is to get another committee of the House to work on the Income Tax Act and come up with solutions to simplify it.

I see the Minister is present now. He almost indicated that he will have to present a budget in January or February. He should give us a White Paper, a thought-out proposal, with respect to simplifying the Income Tax Act. I suggest to him that one of the problems with the 12.5 per cent dividend tax matter is that some people would become small businesses and get advantages which other people are not entitled to have. I say that is not hard to correct. All he has to do is to return to the way small business tax was handled prior to 1971. There could be a low rate of tax for all companies for the first \$125,000 and a top rate for everything over that amount. There are only 12,000 companies or corporations in the country paying at the high rate of tax. There are 175,000 paying at the low rate of tax. If we had to give a little benefit to those 12,000 corporations, big deal. The Government could