

People are now actively interested in finding out what the penalty is if they do this or that to avoid taxes. They are actually devising schemes now with a view to evading taxes rather than the lawful avoidance of taxes. The underground economy is growing at an enormous rate. All of this flies in the face of a legitimate and fair income tax system, at least as it is perceived by the people.

Our deficit is poisoning federal-provincial relationships. It is leading to enormous disunity. It is absolutely clear to me, at least, that if it were not for this enormous deficit we would not have a government elected by central Canada.

The Minister of Energy, Mines and Resources (Mr. Lalonde) does not understand the oil industry. He is attacking the oil industry in western Canada, which is one of our most successful industries and which could provide enormous spin-offs to central Canada. A government elected by one side of the country is attacking the only successful industry we have.

It would be a legitimate subject of discussion if the government were proposing a tax on resource revenue, as long as it included electricity, mines and minerals as well as oil and gas from the west. We could not object to that because Parliament can impose any mode of taxation it wishes. But to impose a tax only on one segment of the industry is grossly unfair and simply wrong.

I wish to make a few comments about the government's financial situation. Then I wish to conclude my remarks tonight with some general comments. I believe we must set up yet another special parliamentary task force. We created one today which will deal with fiscal arrangements. We need a task force which will look at the whole area of government finance, both in terms of revenue and in terms of expenditures, including tax expenditures, as they are generally known.

When one looks at the finances of this government, one must look first at the Bank of Canada's weekly financial statistics sheet. I am looking at one such sheet for January 29, 1981. This should be required reading before anyone is permitted to stand in his place. It is a sobering document. It shows that the federal deficit is some \$80.1 billion. It shows that \$20.9 billion is owed by way of treasury bills. It shows some \$16.9 billion is owed by way of Canada Savings Bonds. It also shows some \$42.2 billion which is owed through all sorts of other securities. We know that between \$7 billion and \$10 billion of this total is owed to agents or lenders outside Canada. Indeed, we know that much more is owed outside because many of the intermediaries from whom we have borrowed by way of treasury bills and Canada Savings Bonds have themselves borrowed on the international market. That is how the massive petroleum dollar is recycled. We notice from this document that the federal debt as of January 29, 1981, was \$10.9 billion greater than it was on January 30, 1980. We know that the Bank of Canada, which is a creation of the federal government, holds Government of Canada securities of \$15.3 billion. That is \$2 billion greater than it was on January 30 of last year. The meaning of this is that the government is creating an extra \$2 billion which is not tied to productivity. That is what causes inflation.

Borrowing Authority

Frankly, I am amazed that members of the NDP could fall for such a scheme, since they claim to be helping the ordinary person in this country. Yet, the inflation which they cause, in conjunction with the government by these massive deficits, are hurting the very people whom they purport to stand for. They have let down the poor and the elderly of this country.

There are a few facts which I want to read from the 1979-1980 public accounts. I see from this document that the budgetary revenue for 1979-80—the reason I use these years is that this information is in the public accounts and is certified as being correct by the Auditor General—is some \$40 billion. To that figure we must add the money flowing to the government from the Canada Pension Plan, from insurance programs and from annuities amounting to some \$1.9 billion. So that the total revenue into the government to the end of 1980 was \$41.9 billion.

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Incidentally, the average senior citizen believes that the contributions he or she has made over the years to the Canada Pension Plan have gone into a separate account, are invested wisely and are receiving a return from a solid, guaranteed account. Of course, that is not true at all. That money is spent in the day to day operating budget of this government.

Miss Bégin: Only in Alberta, in the provinces.

Mr. Thacker: It is not there.

Miss Bégin: Yes, it is. Check your facts.

Mr. Taylor: Well, why borrow then?

Mr. Thacker: Mr. Speaker, the Minister of National Health and Welfare (Miss Bégin) is claiming that Canada Pension Plan moneys are put into a separate account. I would like her to show me the account because not one share certificate was bought.

Miss Bégin: It is in the legislation. You don't even know your facts.

Mr. Thacker: The money has been spent over the years. When one looks at the budgetary expenditures—

Miss Bégin: You don't know how to read it.

Mr. Thacker: —one will see that some \$51.5 billion was spent. If we add to that loans to Crown corporations such as Petro-Canada and CMHC of some \$1.4 billion, it is no wonder that at the end of the year the government must go out into the marketplace to get enough money to meet net financial requirements.

Miss Bégin: You don't know anything.

Mr. Taylor: Why don't you stand up and make a speech or dry up.