

the blue-blooded Tories who have given them advice. Having taken this advice, the Government takes a meat hook and makes it appear that it is cutting the deficit. The Government believes in a rainbow with a pot of \$29.8 billion at the end.

Where are the Government's friends who advised it to cut the deficit below \$30 billion? Where are they today? Why are the money markets not responding? It has been 48 hours. The most cynical comment I heard today is what the Minister of Finance said at the breakfast meeting. He said: "We have a strategy to remove the surtax before the next federal election". That is the height of cynicism.

● (1530)

I want to get into some detail now. I said that this Government has reached into the pockets of ordinary working people and removed a large amount of money from them. This is the third 1 per cent increase in federal sales tax and the Government has only been in office for 18 months. We had the Economic Statement in November, the Budget of May 1985 and now we have a third Budget which increases the federal sales tax. I am not talking about the extension of the sales tax. I hope the Government does not bring down another Budget in a hurry because the average Canadian family cannot afford it.

Perhaps the Government has come to a parting of the ways with its friends because every time the Government takes money from the pockets of ordinary Canadians, it reduces the surplus of large corporations. I would like to refer to page 42 of *The Fiscal Plan*. The Minister of Finance said we should refer to page 42, and when we do so, we find that in fact the Government in 1986-87, with a combination of a surtax and federal sales tax, will be taking \$1.1 billion from ordinary taxpayers, but they are only taking \$380 million from the corporations. They are taking four times as much from ordinary Canadians. We can now begin to understand the close relationship between Mr. Frazee and Mr. Mulholland and the whole gang of them. They are all birds of a feather. The Conservatives look after their friends. They are not interested in bringing down unemployment.

Mr. Stewart: How about Stephen Lewis?

Mr. Rodriguez: The Government has projected those figures to 1990-91. We see that the gap grows. In fact, the amount of money taken from individuals, and that is the cumulative effect as well, is \$2.9 billion. From the corporations it goes down to \$295 million. Ten times as much is being taken from working men and women as is being taken from the corporations and, God knows, the corporations are so heavily taxed already. It is a scandal. This Government is a Government of the rich and we saw that in the last Budget. It gave a \$500,000 capital gains tax exemption to the rich.

Mrs. Maily: We gave it to the farmers.

Mr. Rodriguez: The Hon. Member says they gave it to the farmers. Surely, farmers are not in the same category as those who are purchasing race horses in Kentucky, paintings in Europe and speculating on land.

Borrowing Authority Act

Mrs. Maily: Come off it, then.

Mr. Rodriguez: Surely, the Government could have closed those loopholes and collected millions of dollars. Last August the Department of Finance tabled a document which showed all of the tax expenditures and tax opportunities which the Government did not collect, and that means billions upon billions of dollars.

Let us go now to the *National Accounts*, page 99. The Government is bare-faced about what it put into the document. For 1987-88 revenues from individuals will amount to \$5.5 billion more than in 1986-87. But for the corporations it goes down. It is \$75 million less on a National Accounts basis. On a percentage basis, in 1987-88, they will take 11.2 per cent more from individuals while they will take .6 per cent from corporations. What kind of system is this?

Mrs. Maily: Where do you want all those people to work?

Mr. Rodriguez: In a democratic system if the Government is going to maintain the loyalty of citizens, the laws which govern them must be fair and they have to accept the fairness of those particular laws.

Mrs. McDougall: Don't shout.

Mr. Rodriguez: The Minister of State for Finance says not to shout. I know the banks which got bailed out did not have to shout. They needed only to whisper.

Mrs. Maily: It wasn't the banks that were bailed out, it was the depositors, and you know it.

Mr. Rodriguez: Those Hon. Members opposite do not like the message.

Mrs. Maily: We don't like lies.

Mr. Rodriguez: The Hon. Member is absolutely correct, Mr. Speaker. We don't like it.

Mrs. Maily: We don't like lies.

Mr. Rodriguez: I see you have some grey on the top there, Mr. Speaker, and I am sure you remember that Tory times are tough times.

Mr. Gauthier: Right on.

Mr. Rodriguez: I had a call from one of my constituents who told me he has already gotten out the Bennett buggy. We have a Government which has brought in a Budget which is the height of unfairness. It does not treat the two major groups who pay taxes equally and fairly. It seems to me that when the Government ran for office in 1984, it talked "jobs, jobs, jobs".

Mrs. Maily: And we created them, and you know it. That is what's bothering you.

Mr. Rodriguez: But all the Government has done is "taxed, taxed, taxed". Judith Maxwell, of the Economic Council of Canada, who appeared before the Committee on Finance,