

Excise Tax Act

cent, which increase was permitted to be imposed by the present Conservative Government?

● (1240)

Is it not a fact that the biggest part of the reason we have such a deficit is the kind of give-aways that Liberal Governments started under the present Leader of the Official Opposition (Mr. Turner) when he was the Minister of Finance? The Conservatives have continued this, so that 60,000 corporations pay no taxes at all. In 1986-87 some of the largest corporations like Alcan, Hudson's Bay, and Bramalea paid no corporate taxes at all.

Mr. Cassidy: Madam Speaker, my friend from Winnipeg North has a good deal of reason. In fact, as he points out, I may have been unfair, in the heat of partisanship, to the Progressive Conservatives when I read through that list of tax increases which occurred under the Conservatives.

The first increase in sales tax equivalent to \$150 for the average family was in fact a Liberal tax increase, not a Conservative tax increase. The Conservatives simply borrowed it from the Liberals.

We talk about unfairness in the tax system and about the fact that there are all these loopholes and tax privileges for wealthy Canadian individuals and corporations. That tradition was not begun by the Progressive Conservatives; it was begun by the Liberals.

Of course, the Liberals talk like New Democrats in opposition but they act like Conservatives when in government. There is an ample record to prove that point, and I would hate to see that Party back in government because it would give it a chance to show that the Minister of Finance (Mr. Wilson) is a patsy. Liberals can do just as well at favouring rich Canadians and corporations at the expense of average Canadians.

Mr. Boudria: Madam Speaker, I want to ask a question of my distinguished colleague. I wonder what the present policy of the New Democratic Party is on the taxation provision of flow-through shares. I would like to know the position today as opposed to the one of yesterday or the one of the day before, which presumably were all different because they always are.

Mr. Cassidy: Madam Speaker, the short answer to the question of my hon. friend from Glengarry—Prescott—Russell (Mr. Boudria) for whom I normally have a great deal of respect is that the policy today is the same as it was yesterday, the day before, and the day before that. We have argued that when a tax concession has had proven results and is proven to be of significantly greater benefit than cost, it is worth considering.

The fact that some 60 mines, I believe, have been opened in Canada in the last three or four years as a consequence of the flow-through share provision is a sign of the benefit of this particular provision. When it is used as a tax loophole—

Mr. Gauthier: A Liberal provision, by the way.

Mr. Cassidy: The Hon. Member talks of a Liberal provision. Another example of a Liberal provision which was a disaster across Canada to the tune of some \$2 billion was the scientific research tax credit. The interesting thing is that the Conservatives continued that one along to the point that more money went out the door of the Treasury from the Conservatives continuing that provision than had actually gone out the door during the time the Liberals had that particular provision in force.

I have questions about flow-through shares and the way the Government was dealing with the issue in 1986. However, our Party is one which is able to consult and to listen. We have talked to northern Canadians.

[Translation]

We have talked to prospectors, to people in the mining industry, to residents of Northern Quebec communities.

[English]

We have seen the benefits of the program and we have said that we should keep it, focus it, and ensure that it is not used by Falconbridge, Inco and other large corporations like that. Let us ensure that it encourages the junior mining companies and that it gets genuine activity into smaller northern communities. On that basis we think it has a great deal to be said for it. Our policy has been to support it, and that is our policy today.

[Translation]

The Acting Speaker (Mrs. Champagne): The time for questions and comments has expired.

[English]

Resuming debate, the Hon. Member for York South—Weston.

Mr. John Nunziata (York South—Weston): Madam Speaker, I appreciate the opportunity to make submissions on Bill C-117. Before I get to the merits of this particular piece of legislation, let me say a few more words about the New Democratic Party.

For far too long the New Democratic Party has been treated with kid gloves when it comes to its economic policies.

Ms. Copps: What economic policies?

Mr. Nunziata: What economic policies? I will be getting into some of the New Democratic Party economic policies, but for far too long members of the NDP have occupied their little corner on the left side of the House, knowing that they will never form a government, and have made all kinds of different promises and espoused all kinds of different economic policies. However, when one scrutinizes the NDP policies, whether they are on NATO or on the economy, the true colours of the New Democratic Party come out.

It seems to me that the NDP members have mastered the art of hypocrisy. They say one thing in one part of the country