

exhibition of courage and determination that the minister—

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:**—has followed without swerving since May 8, 1972. He has brought in some sort of measures relating to corporate tax cuts, measures which he announced on May 8, 1972, as being of the very greatest importance to the country, but they were not sufficiently urgent to be introduced before the House was dissolved and an election called. Following the election I stated my assumption that, because the minister had mentioned these measures in his budget of May 8, Canadian businessmen had probably acted on these proposals and consequently they ought to be implemented for the time being at least. However, the minister took no action on these or any other tax measures. On March 21 of this year I elaborated my position in order to try to break the log jam.

• (1450)

**Some hon. Members:** Oh, oh!

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** At that time the minister did not even have the courage to move on personal income tax measures for 1972.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** I stated on March 21 that we had no difficulty with the proposal for fast write-offs for 1973 and 1974. I gave reasons why we took objection to the proposed cut in the corporate tax rate in respect of manufacturing and processing profits and why we could not agree to accept this as a permanent part of our tax structure. I said we would support these measures for the year 1973. I have examined the minister's proposals as of today and I find that he has accepted my position—

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:**—of implementing these measures for the time being at least. The minister is not terminating the proposals as of December 31, 1973, but is asking parliament to commit itself definitely for a further period of three months. Ordinarily an opposition party or groups of opposition members in the House could not initiate the termination or readjustment of any tax measure in 1974 because, among other things, of the requirement of a Governor General's recommendation. Under the minister's proposal, whether the tax cut he now proposes will remain in operation after April 1, 1974, will depend upon the will of the House at that time without the requirement of a Governor General's recommendation. It is evident that in these proposals the minister is not asking us to adopt as a permanent part of our tax structure a cut in corporate taxes which, of course, is what I object to.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** I do not wish to take too long because we will have a lot of time to discuss these matters.

**An hon. Member:** Four years.

### *Ways and Means*

**Mr. Stanfield:** As I say, the minister has not precisely accepted my proposal. He is asking for three months more than I proposed. The minister is asking us to accept the arrangement he has put forward for a review of the tax cuts after April 1, 1974, rather than accepting a definite termination as of December 31, 1973.

We will certainly want to examine very carefully the mechanism of the review process that the minister is proposing. We will want to know, for example, whether it can be counted on to work, whether we can rely on it or whether we will have to dismiss it as something that the minister has put forward as some kind of ploy. I want to emphasize that I approach this matter on the basis that I have absolutely no confidence in the gentlemen opposite.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** They say one thing one day and do exactly the opposite a few months later. For example, included in the minister's recommendations is a proposal to index incomes for the purpose of the calculation of income tax. A year ago the minister ridiculed this proposal which he is now bringing into the House with such pride. This is why I say I have absolutely no confidence in these gentlemen. It is in this light that we will want to examine very carefully the recommendation with regard to proposed tax cuts that the minister has put before the House today. The minister is proposing implementation for the time being. I could use words such as—

**Mr. Nielsen:** Totally unacceptable.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:**—totally unacceptable. I could say that the minister is backing down and that this represents a complete surrender.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** Or should we just content ourselves by saying that the minister has adjusted his position?

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** The minister wants a commitment for an additional three months. I remind Your Honour that even a cat is entitled to three months. Since the minister has moved so far, my colleagues will want to examine carefully the mechanism the minister is proposing to accomplish his purpose.

**Some hon. Members:** Hear, hear!

**Mr. David Lewis (York South):** Mr. Speaker, I listened to the Minister of Finance (Mr. Turner), whose statement I had read earlier, and to the Leader of the Opposition (Mr. Stanfield). At the end of the speech of the Leader of the Opposition, I was not quite certain what his position may be. I understand that he is going to examine carefully the review mechanism and something else, but I am not quite certain what his position may be.

The Leader of the Opposition has complained for some time that the government's lack of action with regard to the May, 1972, budget has caused uncertainty in the business world. I suggest to the Leader of the Opposition that