

beyond 1974, but it is vitally important that we meet this commitment.

The leader of the New Democratic Party (Mr. Lewis) raised the issue of corporate rip-off in the last election. I suspect that he was really referring to the resource rip-off. A lot of people who have not been in business do not understand the problems of cash flow and return on investment, so it became a very popular theme during the election. It was not an easy one to discuss in the heat of a campaign. The Conservatives did not strongly oppose us on it because I think many of them have some appreciation of the problems of business.

The article in the *Financial Post* continues:

Such raw expediency on the part of the Conservatives could make the Liberals look very attractive—

This is the raw expediency that we see today. Later the article reads:

So far he hasn't been terribly convincing that he has a better plan, certainly not sufficiently so to persuade many companies faced with the present state of indecision.

**Mr. Stanfield:** Who is responsible for the present state of indecision?

**Mr. Danson:** We are quite prepared to move along. I think we are victims of many of the problems of indecision. I do not say that we have done everything perfectly, but we are prepared to move along and overcome the indecision. I have the greatest respect for my hon. friend, but surely he knows that it is only his desperation and that of his colleagues to change places with us that is responsible for this delay and this sort of motion. I cannot believe that men who have had experience in business and who understand finance could oppose the reduction in corporate taxes at this time, or the accelerated capital cost allowance. This motion is a political tactic, although I think it is legitimate, and I think the country recognizes it for what it is. The only positive proposal in my hon. friend's speech that had any merit was the one concerning small businesses. We might even be able to find a way of making it work and putting it into practice one of these days.

The question of the review of corporation taxation is extremely important at this time, Mr. Speaker. The leader of the New Democratic Party has raised some serious doubts in the minds of all Canadians and I think the matter should be clarified. Although those of us who do not believe that a lot of it is a rip-off, even though there is a grain of truth that makes everyone wonder—

**Mr. Hellyer:** Maybe you should bring in tax reform.

**Mr. Danson:** The hon. member for Trinity (Mr. Hellyer) says that maybe we should bring in tax reform. I am not sure that is the answer. We tried to do that a couple of years ago. We also tried to reduce taxes at that time, and it was impossible to do it gently: passions were roused by the whole question of tax reform and it was found quite impossible to be reasonable and look at the problems in a way that would bring proper answers. Of course, many other factors were involved such as gross-up in credit. I forget some of the terminology. We politicians sitting on the committee on finance, trade and economic affairs were subject to really tough political pressures—

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**Some hon. Members:** Shame.

**Mr. Danson:**—yet we saw all the resources of one side of the corporation tax argument coming before the committee. These representatives were well prepared, well financed and submitted excellent briefs. I regret that we did not hear more of the opposing view. I do not think businessmen are looking for a rip-off; they are looking for a fair shake and the things necessary to keep the economy going. We in this party have different views from those of the New Democratic Party on what keeps the economy going. I am not dogmatically opposed to socialism; I just don't think it works. What we need is not an investigation by a parliamentary committee subject to the same pressures we went through in tax reform, but an independent body—I hate to say a royal commission or task force—people who are qualified and respected in this field to take a second look at corporate taxation.

The question has been raised, it has received a response but I think it needs to be clarified. As a businessman, I want to see it clarified. I am not interested in being part of any rip-off; I am interested in doing a job, building a business for my family and my country and, in the process, making some money. The money is not the motivating factor, however. It is the only measurement and it is not bad—I would rather have it than not have it—but it is not the primary factor which motivates people beyond a certain point.

Another question is monitoring the corporate tax allowance and the capital cost allowance. I think this is particularly important, though I do not like any connotation of looking over anybody's shoulder. But we should know, on a regular basis, what has happened. The *Financial Post* article suggested that perhaps two years was not enough time to get all the answers, but I think we can keep pretty close contact with the private sector and get their co-operation. There is no reason why any businessman who makes an investment which is eligible for accelerated depreciation should not report to the Department of Finance. That would give this government an opportunity to see how such decisions are made. Of course, I cannot guarantee that honest answers will be given by all businessmen. Nevertheless, by adopting the suggested process we shall obtain a better feeling about what is going on in this respect.

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Certainly we must maintain the present number of jobs; increase employment and increase productivity or we shall be in difficulties. Probably the suggestion I am about to make is dangerous. I suggest that it is more important to maintain a high degree of productivity and competitiveness in the export and import markets than merely to create jobs. If the economy is healthy, we can build a rich society. We all know the direction in which we are going. People will be working a shorter work week; they will have more leisure time. They will need more training and retraining if they are to take advantage of the benefits available. If we lose our competitiveness in the world, we will lose everything and will not be able to survive.

**Mr. Hellyer:** Change the government and both those areas will be guaranteed.