

*Income Tax Act*

Housing Corporation or whatever was the responsible body, for the development of a mobile homes park. When I contacted the minister's office there was some suggestion that there might be legislation under which such a program could conceivably be covered, but in the end the answer I was given was to the effect that no such program existed and therefore nothing could be done for the applicant concerned. Very fortunately for the city of Edmonton, the party in question was able to obtain money privately. The development is now going ahead and providing 900 badly needed homes in the area at a cost that people can afford.

We have already asked the government seriously to consider removing discriminatory legislation that prevents commercial developments in certain cities across Canada taking advantage of the depreciation allowance write-off provision. When that legislation was brought in, to all intents and purposes, it was supposed to be a temporary measure, first for one year, and then for two years. Surely, it is now time that the government considered putting Vancouver, Calgary and Edmonton on an equal footing with Montreal and the other major cities of the country.

• (3:40 p.m.)

The other day when I spoke in support of the amendment proposed by the hon. member for Edmonton West I dealt at some length with the proposals in Bill C-259 having to do with incentives to the oil industry in western Canada. I pointed out that the companies participating in activities in the Mackenzie delta will require vast sums of money in the near future in order to continue development there. As the parliamentary secretary well knows, I pointed out that our companies can operate within a fair and reasonable tax structure, if given desired tax benefits equal to those provided for foreign competitors. I pointed out that in order for our people to reap the benefits of this kind of development, our companies must have a tax structure in Canada that would enable them to generate and attract vast sums of money as capital for this kind of venture.

I pointed out that the government should be looking seriously at offshore exploration. This kind of development has interested the United States government for many years. On CBC television only a week ago there was a lengthy documentary dealing with the potential resources under the waters off North America. It is not inconceivable that within the next ten, 15 or 20 years the prime suppliers of our oil needs in North America will be those companies that are drilling in the waters of the Pacific and the Atlantic off our mainland. I suggest that implementation of Bill C-259 as presently proposed will continue to favour those elements in the tax structure which lead to foreign domination of Canada's oil industry. At a time when public concern favours nationalism in this area, some serious changes are warranted that at least would provide parity incentives for Canadian investors in the oil and gas industries.

Perhaps the only solution to this problem is that tax laws in Canada should provide some basis for at least fair competition with foreign concerns. This objective could be achieved in one of two ways—providing a shelter for Canadian companies or changing the tax laws to provide

[Mr. Skoreyko.]

a true incentive for Canadians to participate in risk ventures which lead ultimately to its development of our own resources, regardless of the tax position of these industries relative to other industries in Canada.

Bill C-259 is a bulky document. I think that the way in which the government has approached tax reform as a whole is cumbersome and unyielding. It has adopted an unprecedented approach to tax reform proposals. First, we had that well known white paper, and then an invitation by the government for Canadians to participate in discussing that document. Over and over and over again, we heard contradictory statements from the Minister of Finance, attempting to clarify some of the confusion that arose therefrom. Is it not ironic that the government could spend \$44,000 to put out a document known as "The Proposals for Tax Reform," and then spend \$190,000 to answer the criticism arising therefrom? Then it came out with another document that probably cost equally as much, called "Summary of 1971 Tax Reform Legislation," which is not even related to the first one.

I want to put on record the views of the Canadian Council for Fair Taxation as found in their publication, *Guardian*, with respect to the white paper on taxation. This is what they have to say about this "disturbing socialist document," and I quote:

It is a little difficult to understand a man such as Mr. Benson who is recently reported by the press as saying "I didn't go to university to benefit society generally." We believe you, Mr. Benson, and this raises the question—just who is supposed to benefit from your activities in government? Most responsible people would like to think that their efforts benefit society as a whole, but possibly Mr. Benson is primarily interested in benefiting a small group of radical theoreticians in Ottawa who believe that it is their God-given duty to turn Canada into a socialist state.

It is doubtful that many Liberal M. P.'s are any more delighted with the white paper proposals than are their opposite numbers in the Conservative party. The fact is that these proposals are now Pierre Elliott Trudeau's proposals. This was made abundantly clear on March 4 when he spoke in defence of the proposals in Toronto's Royal York Hotel during a fund raising dinner of the Toronto and District Liberal Association.

At one point in his speech he said "We have deliberately provoked a public discussion, with all its political risks, so that Canadians will have an opportunity to make constructive suggestions and the government will be able to improve its proposals."

**Mr. Deachman:** On a point of order, Mr. Chairman, I wonder if the hon. gentleman would be willing to identify what he is reading from, the date of it, and the author, so that we would know the source of that material?

**Mr. Skoreyko:** Mr. Chairman, I cannot help it if the honourable whip is asleep. I said I was quoting from *Guardian* of April, 1970. If he had been paying attention he would have known that.

**Mr. Deachman:** What *Guardian* is that? Is it the Manchester *Guardian*?

**Mr. Noble:** A guardian angel.

**The Deputy Chairman:** Order. The hon. member is entitled to ask for identification of the document, but the hon. member for Edmonton East has said that, to his satisfaction, he identified the document.