

*Income Tax Act and Related Acts*

I want to mention something since the Hon. Member for Hamilton East (Ms. Coppins) was being so vitriolic about us. Under a Liberal regime toward the middle or the end of the Korean War, we had something called corporate tax deferrals. As of this day there are between \$35 billion and \$40 billion of unpaid corporation taxes on the books of this country. That is a debt. If you look at the annual reports of corporations whether Canadian Pacific Investments, Canadian Pacific Limited, Inco, Bell Telephone, Air Canada, CNR, you name it, it does not matter whether it is a private or a public corporation, they have hundreds of millions of dollars of deferred corporate taxes on their books carried as liabilities. But the little corner grocery store owner, the farmer and the fisherman cannot defer their taxes. Neither can we. We have to pay them. If we are late, we are charged interest.

Canadian Pacific Limited, one of my favourite friends, owes something in the order of between \$1.5 billion and \$2 billion in deferred corporation taxes which will never be paid. International Nickel and Bell Telephone owe that much or more. The Government of Canada has something near \$40 billion in taxes receivable which will never be paid.

If the Government were to charge those corporations just the straight bank rate of interest, the Government would pick up between \$3 billion and \$4 billion in extra tax revenues. That is a cheap loan, at the moment it is an interest free loan. The theory was if you let corporations defer their taxes they would invest the money in new equipment, new plants and would create more jobs. That was the theory. They did. International Nickel, Canadian Pacific and Bell got investments like you would not believe in Mexico, Chile, Indonesia and anywhere else in the world you want to go. When 3,000 men were laid off in the Sudbury area, International Nickel opened a new mine in Chile. That is where deferred taxes went. Nobody should be allowed to defer tax until they can prove that the money was invested in this country and nowhere else.

**Mr. Forrestall:** I agree.

**Mr. Benjamin:** I could not get a single Tory or a Liberal Government in the 20 years I have been here—and it is my anniversary in a couple of days. They all agree as my hon. friend from Dartmouth—Halifax East (Mr. Forrestall) agrees—to do it. We have tens of thousands of Canadians on high incomes. We have thousands of Canadian corporate leaders, making \$2,000, \$3,000 and \$4,000 a day.

**Mr. Forrestall:** That is not true.

**Mr. Benjamin:** And we have farmers losing farms and fishermen losing their boats and little storekeepers going broke. These high earning guys have tax benefits, preferred stock options that are non-taxable. They have tax dividend credits. The president of the one corporation I know makes

\$4,000 a day. That is more money than 90 per cent of Canadians make in one, two or three months. Do not talk to me about private enterprise, free enterprise and market forces when you allow that kind of an unfair system to prevail. It is so patently unfair.

This Government said it would do something. The Prime Minister (Mr. Mulroney) in the television debate, after the Hon. Member for Oshawa (Mr. Broadbent), our Leader, raised the subject about tax fairness and tax reform, said: "You are right, Ed". That was four years ago. The Hon. Member for Oshawa is still right and the Prime Minister is still wrong. We still do not have tax reform. We have nothing but the juggling of the books. I will keep talking until you cut me off, Mr. Speaker. Do you want to do it now?

**Mr. Deputy Speaker:** Yes.

**Mr. Benjamin:** Go ahead.

**Mr. Deputy Speaker:** I thank the Hon. Member. Debate. The Hon. Member for Ottawa Centre.

**Mr. Mike Cassidy (Ottawa Centre):** Mr. Speaker, the amendment put forward by the Hon. Member for Churchill (Mr. Murphy) calls for the inclusion in the total amendment on this particular Bill the requirement that there be a corporate minimum tax. I will read it. We are saying that Bill C-139 as it stands right now should not be brought forward at this time among other reasons because the Bill fails to ensure that corporations make a fair and regular contribution to federal tax revenues by imposing a minimum corporate tax.

**Mr. Forrestall:** Who is the author of that?

**Mr. Cassidy:** I am the author of that, Mr. Speaker. As the spokesperson on taxation and finance for the New Democratic Party, I am proud of the last two and a half years in a very responsible way to put forward policies which will be fair to average Canadians, not the kind of Tory tax reform we have been having which seems to be much fairer to people who are rich and to corporations than it is to the average citizen.

After Conservative tax reform there will still be some 60,000 Canadian corporations which are profitable and which each year will not pay any tax at all. Is that easy to defend? I do not think it is. When we begin to tax families below the poverty line and when we begin to tax individuals far below the poverty line, why is it that we turn around and have this unusual consideration for all these profitable corporations, not loss making, but profitable corporations, leaving them in a position where they do not pay any tax at all?

You may recall that I indicated the concerns of my colleagues in the New Democratic Party over the question of the unfairness of the tax system which in 1983, and I believe in 1984 and 1985 as well, took more in income tax from a teller working for the Royal Bank of Canada than it took from the Royal Bank of Canada in its multibillion dollar entirety. There is something wrong and fundamentally unfair about that.