

credit whereby if a taxpayer, corporate or individual, makes certain capital purchases they were in the past entitled to take certain credits to offset income tax payable. That is the short answer when we get to this nonsense about all these so-called profitable corporations which pay no tax.

I want to close my response with an interesting little piece that I noticed in *The Financial Post* for May 5. It is entitled "Advice & Dissent" by William Watson. The heading of this article is, "Those who wanted debt control must pay". He concludes by stating:

You only hurt the ones you love. A surtax on high incomes. A new tax on big corporations. Consumption tax increases. A big jump in the sales tax credit. It's as if Mike Wilson were saying to his natural constituency—that is, the top half of the income distribution—"You want debt control? Now pay for it."

So, Mr. Speaker, an interesting comment from someone I do not know but he seems hardly over-sympathetic.

**Mr. Mills:** I have a question, Mr. Speaker. I listened with interest to the remarks of the Hon. Member for Swift Current—Maple Creek—Assiniboia (Mr. Wilson). He mentioned that we do not have any ideas on this side of the House. Quite frankly, I did not see very much creativity in this Budget. Let me ask the Hon. Member a specific question. One of the ways in which we compete internationally is through a very high level of productivity. We have heard repeatedly in committees of this House over the last four or five years that profit-sharing and equity participation produces an enhanced level of productivity in most corporations that employ a system like this. Does the Hon. Member think it would be in the interests of the Government to consider using the tax instrument for promoting that kind of activity in the corporate world because that would not only enhance our productivity but would also give us new levels of taxation which would allow us to attack the deficit in a more progressive way? Would the Hon. Member have some thoughts on that?

**Mr. Wilson (Swift—Current—Maple Creek—Assiniboia):** Mr. Speaker, I appreciate the comment from the Hon. Member opposite. I may say that it is an attempt to be constructive, which is highly unusual and well above what I have heard from that side to date in this debate.

The whole thrust of the tax reform exercise which the Minister of Finance (Mr. Wilson) has tried to put forward has been to get rid of the tax expenditures. I think a number of tax expenditures which have been put out in the past have been less than productive, perhaps well meaning, but less than productive. One example is perhaps the business investment tax credit which while well meaning likely caused more problems than it was

worth. Then there is the scientific research tax credit; that was a monumental tax expenditure put forward by the Party of the Hon. Member for Broadview—Greenwood (Mr. Mills). I am not sure what the final tally on that tax expenditure was, perhaps something in the order of \$4 billion. It did not do very much for research and development in this country.

I think it is perfectly open for the business community to engage in profit-sharing with its employees. In fact, I think it would be a splendid idea for more businesses to engage in that practice. It seems to me that individual initiative and incentive is what makes things tick in this country and it would give employees an opportunity to participate, to share in some of the fruits and rewards of the entrepreneurial spirit that are so important. It drives the small business sector in this country and is certainly the life-blood of the small business sector.

● (1730)

**The Acting Speaker (Mr. Paproski):** I will entertain a supplementary question from the Hon. Member for Broadview—Greenwood.

**Mr. Mills:** Mr. Speaker, my point was that I think the Minister of Finance should use the tax instrument to provide incentive for businesses to engage in that kind of equity participation and profit sharing system. I did not quite understand the Hon. Member's answer.

Does he support that kind of approach? Could he possibly suggest that as something creative which the Government should consider? Government Members always accuse us of lacking in creativity, but this is a very simple thing that would engage millions of people in a form of productivity which would give us global competitiveness. Yet we cannot seem to get a specific answer on it.

**Mr. Wilson (Swift Current—Maple Creek—Assiniboia):** Mr. Speaker, the Hon. Member opposite talks about specific answers. I am rather amused by that because for the past week I have been asking other opposition Members, at the conclusion of their critiques of this Budget, whether they have anything concrete to suggest, anything workable, anything which would help us face the problem we have in Canada. I have heard absolutely nothing whatsoever.

In answer to the Hon. Member's question, I know of nothing which prevents business people, entrepreneurs, from entering into profit sharing arrangements with their employees. It seems to me to be a very sensible way of doing business. I hate to think that it would require another tax expenditure, the sort of thing they themselves criticize over and over again as being inefficient, to encourage the business community to do that. I think it is