

● (1500)

When I was in Saskatoon during the weekend I met some people at the Indian-Metis friendship centre. They were concerned about how they could use the timber concession of that particular company and how they could persuade the provincial government to help or co-operatively to take over the plant and maintain the job opportunities it provided. I do not know whether anything like this will transpire, but I am very opposed to passing a bill or accepting a proposal that will reduce taxes to corporations which deal in such a cavalier fashion with the people who worked in this plant in particular and the taxpayers of Saskatoon in general.

When the company closes down that plant, Mr. Chairman, the taxation basis of the city will be affected. At the same time as we are providing tax concessions to the corporation, they are removing their operations from Saskatoon, which means that the ordinary taxpayer of that city will have to pick up the tax load which the corporation abandons at the local level. This matter must be of little concern to the corporation if they are prepared to close it out. It is only a small plant, involving a small number of people and small timber limits. Farmers have been cutting that timber as a part-time job. The attitude of the corporations is, if they lose that income, so what? If the people who have been trucking the pulpwood into the plant lose their wages, are unable to meet payments on their trucks and lose them, so what?

I am not in agreement with the minister's suggestion that we reduce taxation to these kinds of corporations. In this particular instance, Mr. Chairman, the rip-off is very close to home. I hear the terms "good corporate citizen" and "good corporate behaviour," and they are very nice; they are heartwarming phrases and I love to hear them. But such is not the case here. It would not have stretched the resources of that corporation to keep the plant working in Saskatoon. The workers were not asking for excessive benefits. They were not asking for the moon. But it was more than that particular multinational corporation was prepared to concede.

I do not suppose it would make very much difference to the balance sheet of that company whether the plant operated or not, but the taxation cuts the minister proposes to give the corporation will mean something to it. A reduction of tax from 49 per cent to 40 per cent will be a real bonanza. But it will be no comfort to the people working for the company who will find themselves out of a job and walking the streets. It is companies of this type that are getting the biggest benefit. Taking an average for the last ten years of the portion of profits on which a business is taxed shows, for retail merchants, 90 per cent and for wholesalers 87 per cent. But when it gets to this type of company the rate is much less. We are giving the breaks to the wrong people. Maybe we should have been giving the tax cuts to the worker, the private individual. If we had been doing that, perhaps the workers in this particular company would not have asked for anything more and maybe it could have continued to operate. It is a different method of approach, but it may very well have worked.

One thing is certain, the approach we are taking now just is not working, Mr. Chairman. This is the principal

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reason why I find it impossible to support this bill. We are continuing the very economic and fiscal approaches and programs that have not worked in the past, and this government now proposes to reinforce failure. This is what they are proposing, reinforcing a failure of policy. This policy has failed, on the first count, to relate to the communities in which companies operate. On the second count it has failed to provide the jobs and the business expansion that we need. That, after all, is what this policy, the regional expansion policy and other policies are supposed to do, but they have not done it. We should therefore be looking in another direction for different policies and objectives in order to achieve what we want for Canada.

I sometimes wonder what are the objectives of the government. I have not heard them say that they are committed to 3 per cent as a level of acceptable unemployment. I understand that the Unemployment Insurance Commission is geared to 4 per cent; that is, at 4 per cent the fund is supposed to be self-liquidating. But we do not get it down to 4 per cent, and when it remains at 6 per cent and costs the government money, instead of trying to get it down they conduct a witchhunt and charge those who are forced to draw unemployment insurance benefits with exploiting the system. Mr. Chairman, it is not the worker who is exploiting the system; it is the system that is exploiting the worker unmercifully. It is exploiting local communities such as Saskatoon and other parts of the country. I am not going to cite the others, but will speak of what I know.

We have seen refineries closed in Saskatoon while corporations draw these tax benefits. Gas, oil and petroleum companies, with one of the worst records of payment of corporate taxes, move their facilities from Saskatoon and Moose Jaw and concentrate them in a few large centres in the interests of efficiency and productivity. Then they tell us that they must increase prices otherwise they cannot carry on. The net result of removing plants from these centres to one big centre and of increasing their so-called total efficiency, is an increase in price.

● (1510)

I do not think any government in Canada's history has been more thoroughly hoodwinked and bamboozled than the present government. I do not think any government was ever taken to the cleaners so thoroughly as this government. The men in corporate offices must be laughing themselves silly thinking about this government trying to push through legislation that should have been abandoned as of May 8, 1972. But here the government is; it cannot bring itself to sober up the next morning after the bad night before and say, "Wait a minute. Let us take a reading of the situation before we start off again on the same kind of trip." This is ridiculous. You cannot justify this measure at the national level and you cannot justify it at the community or local level. Nor can you justify it as serving the interests of Canadians. Really, it is hopeless. Is it too much to ask that such policy be reviewed or changed?

It is hopeless to think that members of the official opposition will vote against this measure and defeat it; they said they will not. They, too, like this policy. I can think of some language to describe it, but do not want to use those words in the committee. The official opposition