

Income Tax Act

Mr. Saltsman: If the hon. member wants to enter into this discussion, he should at least be very careful of what he says. I think my statement was very clear, but let me repeat it. As long as companies serve the interests of Canada that is fine, but when they stop serving the interests of Canada, whether the consumer, the worker, the farmer or somebody else, then the job should be done by somebody else. If "A" will not do it, "B" will, and if "B" will not do it—

Mr. Horner: Then "G" will.

Mr. Saltsman:—then "G" will.

Mr. Horner: Yes, the government will.

Mr. Saltsman: We do not have to be blackmailed and we do not have to be treated in the shameful manner we have been treated in this country because we have an alternative. As most hon. members know, I am not one who advocates nationalization or public ownership of any kind or to any large extent.

Mr. Horner: But you were one of the Waffles.

Mr. Saltsman: I am sure the Waffles would be very happy to hear that. My record is very clear on this matter.

Some hon. Members: Oh, oh!

The Chairman: Order, please. Perhaps it is a matter of geography, but it does seem to the Chair that hon. members are located close enough to each other that they are carrying on a debate among themselves. I really feel the remarks should be made to the Chair.

Mr. Saltsman: Thank you, Mr. Chairman. You will know, of course, that I have not been one of the favourite Waffle heroes in Canada. We are not helpless, as my friends in the Conservative party seem to think we are. They gave away this country on every occasion they could.

Mr. Horner: Would the hon. member permit a question?

Mr. Saltsman: Of course.

Mr. Horner: Is the hon. member aware that his leader told Mr. Laxer of the Waffle group that he cannot say these things about nationalism and get elected?

An hon. Member: You obviously haven't listened, either.

The Chairman: Order, please. The question has been asked and the hon. member for Waterloo may want to respond. When he has done so, I think we should try to get back to the subject matter of the debate.

Some hon. Members: Hear, hear!

Mr. Horner: We are getting a little bit of help from the modern socialists over there.

Mr. Saltsman: The question asked is very interesting, but I really do not know what relevance it has to the matter we are discussing. I would be very pleased to provide the hon. member for Crowfoot with a copy of this report if he is as interested as he seems to be. I would be

[Mr. Horner.]

pleased to straighten him out on the internal events of this party.

An hon. Member: Maybe we could find him a membership card.

Mr. Saltsman: I should hope not. We have been discussing this matter from a number of points of view and I should like to recapitulate for a moment.

• (4:30 p.m.)

I should like to recapitulate for a moment. The first point is that if these companies are not going to pay any taxes or provide any employment, what good are they to us. If they want to pack up and say that they do not want to be in Canada, they will not be of very much help to us anyway. Second, and perhaps this should be the first point, is the matter of equity. If we are to provide any advantage in the tax system to one group over another, surely it should be in respect of the companies which manufacture in Canada rather than those which just export raw materials out of Canada and ask for a tax exemption. The simple matter of equity demands that any advantage be given to those who manufacture in Canada. Certainly, our position is that they should be treated alike. Equity demands there should not be any special treatment for one over the other. Third, Canada does not need international complications. These multinational companies could get us involved in considerations in which we do not want to be involved. We do not want to be part of a twentieth century imperialism and do not want to become involved in having the international corporation determine international priorities. That should be a matter for decision by government and not the international corporation with the government itself being held up for ransom.

The other point which I was talking about when some questions arose from my friends on the right was that some companies, like the Liberian Ore Company, will leave Canada if we do not provide a tax haven for them here in Canada. The day of the tax haven is rapidly drawing to a close, and not only in Canada. Even the poorest nations have some sense of dignity and pride and, I am sure, do not want to be tax havens any longer. Many of those which have become tax havens have regretted this and have found that any small benefits they have received have created more problems and costs than benefits. Surely it would be ironic, if the small, poorer nations of the world are no longer willing to provide tax havens, for a country as prosperous as Canada to say it will. It is for these reasons I have spoken at length. I have some further things I should like to say as this debate continues. Certainly, there should be equity between corporations if there is to be equity between people. I do not think this government measure goes far enough to ensure this equity, and we think the government has backed off from doing what should have been done in this particular case.

Mr. Bigg: Mr. Chairman, the tragedy in Canadian life today is that we have two socialist parties, one of them anti-American and the other stumbling around without a policy, national or otherwise, which is adequate to bring Canada out of the economic doldrums in which it finds