

and flexible, continuing support from Canada's governments, he said.

I have the Alcan brief submitted to the Senate banking committee. I suggest the Parliamentary Secretary to the Minister of Finance cannot deny, that in attempting to establish equity, regardless of the justifications, there has been no thought given as to how these provisions are going to affect the international operations of Canadian corporations. I want the parliamentary secretary to deny, if he can, that the provisions in total are going to affect the competitive position of Canadian companies working abroad.

• (5:30 p.m.)

My hon. friend from Waterloo South said that he did not care about giving special privileges or preferences to these corporations, that under the catchword "equity" everything should be the same. In Canada we have developed regional disparity programs to help the disadvantaged areas but these programs are not necessarily good for other countries. Different environments require different approaches. Not all tax situations are the same. Therefore, it is not reasonable to give them all the same label under the guise of equity.

My final contribution regarding the report of the conference held last week on how Canada can contribute to the international scene is to quote Mr. Ray Pillman, president of H. G. Acres Limited who do a fair amount of consulting work around the world. As reported in the *Globe and Mail*, he said:

Even with removal of U.S. import surcharges, Canada will be in a new era for the next 25 years that will have no similarity to the past 25 years, and must develop new economic strategies to maintain a high standard of living, the capital-projects-abroad conference in Toronto was told yesterday—

Since trade is fundamental to Canada's prosperity, and it is carried on by businessmen, not nations, ways must be found so business can compete efficiently and effectively. This need not require subsidy, but Canada should examine with top priority what other countries are doing on international trade.

I suggest that other countries are not pulling back in the field of international trade and developing tax laws that diminish the thrust or adversely affect the business of corporations abroad. Rather the reverse: they are giving stimulus to corporations that are developing abroad, just as President Nixon, in an extreme way, is overstimulating the economy of the United States so as to develop its full potential, creating trade outside the United States in order to provide jobs within that country. There are many other things I could say about this tax conference, but I think my time is almost up.

The Assistant Deputy Chairman: Order. The hon. member for Hamilton West.

Mr. Nowlan: May I just finish my sentence, Mr. Chairman?

The Assistant Deputy Chairman: Order. Does the committee give unanimous consent to allow the hon. member to continue?

Some hon. Members: Agreed.

Mr. Nowlan: I will just finish my sentence, with the indulgence of the committee. There are many other things

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I could say about "Nixonomics" and how they work one way, while the proposals of the Minister of Finance work the other way. But if there is any reason to doubt how the provisions of this tax bill apply to the international scene it is with regard to the repatriation of dividends and the emphasis placed on the bilateral negotiation of tax treaties.

I am informed that by 1975 or 1976 we will have to negotiate 50 new tax treaties and renegotiate 16 existing tax treaties. I suggest that in view of the economic climate in the world today such a prospect is unreal. We will be unable to carry the clout in these negotiations that will give us the full benefit of these tax provisions. Amongst other things, this is a form of hari-kari and I shall have something more to say about it at a later stage.

Mr. Alexander: Mr. Chairman, I am pleased to have an opportunity of saying a few words in this debate. As we reflect in this age of Aquarius, we realize that one of the most important things to which we should turn our attention is the economic growth of Canada, which of course embraces the question of employment. The bill before the committee is complicated beyond the comprehension of—

An hon. Member: Of mortal man.

Mr. Alexander: I was going to say, of any tax accountant or lawyer who will be called upon to deal with it or, for that matter, beyond the comprehension of members of the bureaucracy. With all due respect, even the Parliamentary Secretary to the Minister of Finance who, to give credit where credit is due, is doing an admirable job, is having trouble with this bill. The hon. gentleman is answering our questions—I must say that in all fairness—but of course we do not accept some of his answers.

In this time of economic stress, what concerns me is the direction taken by the government's policies. In view of the repercussions of the Carter commission report and the economic policies announced on August 15 by the President of the United States, this bill is a monstrosity, yet the government is stubbornly pushing it through. There was a headline in the *Globe and Mail* for November 20 which read: "Trudeau to discuss new laws with 44 business leaders". This was a significant meeting. Both business and industry are fearful of the obstacles that lie ahead in the form of the competition bill, the labour bill and particularly this tax bill. What was discussed at this meeting I do not know. Let us hope that by tomorrow we will be able to ascertain what are the government's intentions respecting the several problems that were raised.

I listened to the speeches of the hon. member for Dauphin, the hon. member for Spadina and the hon. member for Annapolis Valley. The hon. member for Winnipeg South Centre, who sits on the government side, I think spoke for many of his colleagues in registering legitimate concern at the problems that these sections of the bill will create. At the same time, I am concerned about the attitudes taken by my hon. friends of the New Democratic Party, whose classic statement is that this bill does not go far enough. Then they go as far as accepting a policy of government ownership. As I understand the mood of this country which is projected through the hundreds of briefs Members of Parliament are receiving—and I presume the members of the New Democratic Party receive copies of