

Borrowing Authority

boys, Air Canada and PWA Corp. which owns Canadian Airlines International and Wardair, and, warned Mr. O'Brien, we should all be concerned about the safety of air flight under deregulation.

There are a wide variety of concerns under deregulation and one of them is air service in the north. While the big carriers are choking off competition, small airlines, many of which provide important rescue flights, are being either put out of business or moving to Toronto where the action is.

As a result air service to smaller centres in northern Ontario, and other provinces, is being reduced or even cancelled.

So much for deregulation. That is a very strong message from one of the Government's own supporters and candidates.

• (1600)

In closing, I would be remiss if I did not put this caveat in my speech, as I always do. The Minister of Energy, Mines and Resources (Mr. Epp), in a letter to employees of Atomic Energy Canada Limited, said:

—let me state clearly that the federal government fully supports the Canadian nuclear program.

On page 1 he said:

The sources for continuing the necessary level of research and development funding are uncertain.

If AECL does not bring in a report to show how it will make money, the Government will not loan it any. At the same time, the Government is selling off its assets and good work in the form of two Crown corporations under Bill C-13, which I will speak against.

Mr. Hovdebo: Mr. Speaker, one of the most chilling aspects of the Government's Budget and this borrowing Bill is that it has put itself in a position where it must borrow. While it is making the largest tax grab we have seen in this country, it will still have a \$30 billion deficit. Furthermore, it is eliminating many of the services we have come to expect in Canada.

During the last three years, over 1,000 foreign and domestic companies changed hands in Canada. Foreign ownership and control in Canada is the greatest of any industrialized country in the world. We also have the highest concentration of corporate power, with approximately 1 per cent of the top enterprises in Canada controlling almost 80 per cent of the shares of the 300 largest companies.

In light of this huge merger mania that seems to be happening, if the Hon. Member's Party was in Government would it implement a policy to tax the merger of

corporations or any type of acquisition that would not benefit Canada or provide jobs for Canadians?

Mr. Hopkins: I thank the Hon. Member for his question. He is a very valued Member of our Public Accounts Committee and is very interested in these matters. I agree with his statement about the tax grab by the Government. I said in my speech that \$8 billion of the tax increases in the recent Budget have come from individual Canadians while only \$1 billion in tax increases come from corporations in this country.

I am reminded of the time when the Hon. Sinclair Stevens stood up in the House to say that he was supporting the Mitel workers. He asked why we were criticizing him when he was supporting the Mitel workers.

Of course, we know how the Government supported the Mitel workers. It sold the company to a British firm, an example of what the Hon. Member talked about, and one of the first things it did was to go into my riding in Renfrew and close down the \$30 million Mitel plant and lay off over 500 workers. That is an example of corporate conglomerates destroying small town Canada.

The Hon. Member mentioned the amalgamation of firms in Canada. Those companies know they have a free hand to do so under the Government because the Government encourages big business. It does not matter how large a corporation would like to get, it is encouraged to grow larger no matter what stands in its way. That is the Tory philosophy.

This was the trend in the United States during the late 1800s, which continued until Franklin Roosevelt put restrictions on major corporations. He was accused of being a Communist for doing so, but the fact is that governments must act in the best interests of the people. When big corporations and finances begin tramping over individuals, if the Government has any heart it will prevent that from happening. One way to control such corporations is with tax leverage.

If one does not have the heart to tax big corporations and would rather slap a major part of the tax on the rank and file Canadian, one would have to be in the present Government because that is what it is doing.