

Government Orders

their lifeline to dignity, to hope for a better future for them and for their children in the years to come.

I would only hope, Mr. Speaker, that members opposite would see their way in understanding that Bill C-69, which was introduced at an earlier time, is wrong both in terms of its substance and the effects it will have on Canadians. Equally so, Bill C-32, which in its very substance, the procedural way in which it has been introduced, the fact that it had to go to the Supreme Court in order to get some legitimacy, is wrong for the country, is wrong for national unity, is wrong because it hurts those Canadians who need the help most, and that is poor income Canadians wherever they may be, British Columbia, Alberta or Ontario.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I just wanted to take a moment to perhaps clarify a few things so that those reading or viewing will not be misled by some inaccurate statements that have been made earlier this afternoon.

It has been continually said, and I should point out not by the hon. member from Broadview—Greenwood, but several members of his own party and certainly the NDP before him, that corporations in this country do not pay tax.

I think it should be clear to Canadians now that clearly, Canadian corporations do pay tax. There are very few reasons why they would not. A number of corporate loopholes have been closed with tax reform since 1987. There really remain, perhaps, one or two reasons why a corporation in a given year might not pay tax. It is simply because they have carried forward losses from the year before or in the year of paying tax, rather than make a profit, that corporation had a loss.

Even with the large corporation tax that was brought in by this government, many large corporations in this country which in a given year had a loss would have to pay tax under the large corporation tax which is essentially a minimum tax for corporations.

So it is really unfair in 1991 to categorize any Canadian corporation as not paying any tax.

The other thing I just wanted to make a brief comment on was this continual reference to cutbacks. Clearly there is no cutback. I do not understand how members can stand in their place and talk of cutbacks when what we are doing with this program is merely restraining the increase in spending and increase in transfers to three provinces to 5 per cent. How can we talk about cutbacks when we increase the funding of these programs. Only in three of the provinces, the three richest provinces in the country, are we in fact restraining the growth of those programs to 5 per cent.

So in those provinces, that is, Alberta, Ontario and British Columbia, the federal transfers under CAP will increase this year up to the 5 per cent.

Limiting the growth of CAP does not put Canada's welfare system at risk. With the federal government's support for provincial social assistance, spending will continue to grow in all provinces, including Ontario, British Columbia and Alberta. Fortunately, the economy is growing but we need to continue with responsible fiscal policy to ensure that the recovery is stable and long term. Economic growth and more jobs is the best way to help people regain their financial independence.

[*Translation*]

Mr. Eugene Bellemare (Carleton—Gloucester): Mr. Speaker, I rise today to participate in this debate on Bill C-32, an act to amend the Canada Assistance Plan, introduced by the Conservative government. The purpose of this bill is to extend for two to five years the 5 per cent CAP on transfer payments under the Canada Assistance Plan. This CAP only applies to provinces who do not receive equalization payments at present, that is to say British Columbia, Alberta and Ontario.

In 1984, Prime Minister Mulroney during the election campaign stated with great fanfare that it was a sacred trust. He claimed that he would never touch or cut social assistance, medical programs and the whole social fabric of Canada.