

Supply

In terms of small business, though, the NDP wants to have a minimum tax on all corporations regardless of their size. I quite agree that we should have a minimum tax on financial institutions: those big companies, big trust companies, banks and insurance companies. We brought one in.

However, small businesses now, when they have years of losses, are able to put the losses against when they finally make a profit. This allows a small business to survive. The NDP policy toward small businesses is to tax them every year, even if they have loss carry-forwards. We do not believe in that. We believe in a healthy small business sector of our economy.

Mr. Lorne Nystrom (Yorkton—Melville): I think the minister is distorting our policy a bit, Mr. Speaker. We are talking about profitable corporations, and he knows that.

Mr. Thacker: Can you carry forward losses?

Mr. Nystrom: Yes.

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Paproski): Order, please. The hon. member for Yorkton—Melville has the floor on debate.

Mr. Nystrom: Mr. Speaker, the motion before the House today deals with the need for full employment in this country. It talks about being more competitive internationally and having a policy of employment that is consistent with the principle of sustainable development in Canada.

I think those are very laudible goals and very laudible objectives. We should seek to have in this country, first of all, full employment and, second, we have to be more competitive internationally in terms of exports to begin with and in terms of developing more of our own resources and products in this country instead of importing many things from abroad. All that must be done according to the motion keeping aware of the importance of sustainable development in Canada in terms of the environment.

I want to begin by saying that I think Judith Maxwell, in terms of the Economic Council of Canada, has hit the nail on the head when she said in her annual report a little while ago that there is something fundamentally wrong with the Canadian economy, fundamentally wrong

with the way we have organized our country for the last 10 or 20 years. All members of Parliament should take a very close look at the table on page 40 of that particular report. That table compares 16 countries in the OECD, the Organization for Economic Co-operation and Development, in terms of their long-term unemployment rate between 1970 and 1989, a 20-year period. Of those 16 countries we rank number 15 in terms of the highest long-term unemployment. Switzerland, Japan, Norway, Austria, Sweden, West Germany, and Finland over those 20 years all had unemployment rates of well under 5 per cent, but Canada ranks number 15. We are behind Belgium. We are behind Italy. We are behind the United Kingdom, with all the problems it has had in the last few years in terms of restructuring its economy. The only country of the 16 that we are ahead of is Spain.

• (1220)

I think that tells us a lot about the situation with which we are now faced in this country in terms of a major failure of government and other key players in the Canadian economy. She also says in the Economic Council Report at page 45: "Canada has never made more than a timid commitment to full employment". Here she is talking about not just the last six years under the Conservative government but about previous Liberal governments in this place and about the short nine-month Conservative government back in 1979-80 as well. I think we have to take a look at what is wrong with our economy structurally.

The other thing we should look at is the cost of high unemployment. When I am talking about the Economic Council of Canada and its report, I am talking about a group, as a member from Newfoundland said a few minutes ago, that was appointed by the government itself. These are appointees of the federal government. They have issued one of the more critical, one of the more thoughtful annual reports about current government policy that I have seen in this institution for a long time.

Another thing we should look at are the costs of high unemployment and how much it is costing this country of ours. We have an unemployment rate now that is more than twice as high as many other highly industrialized countries around the world. There was a recent study by the Toronto-Dominion Bank which said that the average