

Government Orders

be about \$25 billion in two years and then down to \$6.5 billion in the year 1995 at which time the government will no longer have to borrow outside to service the debt.

While we recognize that this is a very serious move, we also have to say that the amount of the federal transfer payments has been growing and indeed has grown at a much faster rate than the other programs. A major review is needed and certainly the Minister of National Health and Welfare is well aware of this. He met with his colleagues in June, I believe, and again just last week the counterparts in the provinces to discuss the whole area of health care and welfare. Indeed, we recognized that perhaps the time has come to take a look at how better we can do this.

Really what I want to say, Mr. Speaker, and I appreciate the opportunity, is that I know it is tough, but everybody has to help, all departments have to help, to reduce the deficit and debt. Then we will be able to support social programs within this country, maintain a standard of living, health care education that will be great for our youngsters instead of leaving them with a tax burden that would forbid them from, perhaps having those beneficial elements we are able to give.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I would like to thank the hon. member who just spoke for really setting up the question for what I have to say in this House today.

The hon. member said that we live beyond our means and we have to curtail our spending. She said everyone has to contribute to get the deficit down. Then she accused the opposition of speaking out of both sides of our mouths.

Well, talk about the two-faced business lobby, talk about speaking out of two sides of mouths, talk about the cheek of this government suggesting that we have to all take and pay our fair share to get the deficit down so that social programs, health care programs and education in this country can be covered by this government. Let us take a look at some of the facts.

It is really interesting that this government and the corporations in Canada are all muling about how high the deficit is and how we all have to tighten our belts and how we all have to take and pay our fair share, but in fact if corporate Canada were paying its fair share of taxes in this country, we would not have the deficit we have and we would be able, with no difficulty at all, to maintain the social programs in this country, to maintain health care in this country, and to maintain post-secondary

education levels in this country in all of the provinces and territories, not in a select number of provinces and territories.

Let us look a little bit at the facts. In 1987 Canada had 362,828 corporations that reported profits of \$87.7 billion. That is excluding intercorporate dividends. Guess how much they paid in taxes.

Well, they were supposed to pay 36 per cent of that in taxes. Thanks to the leaky system that this government and the Liberal government before it put into place, they in fact paid 17.7 per cent, about half of what they should have been paying in corporate taxation. Despite combined profits of \$25 billion, 118,162 corporations, or about one in three, paid no corporate tax whatsoever. Not a cent, not a penny. Who has to tighten their belts, Mr. Speaker? Who, on the one hand, is not paying a cent of corporate tax, and on the other hand, is out there telling Canadians through this government that we all have to share the pain, that we all have to suffer? Who is suffering? Low income Canadians, students, the sick, the elderly.

• (1640)

I would not for a moment suggest that the Tories don't have an agenda. In fact, the hon. member just said "we are sticking to our agenda, and our agenda in the Tory government is let the little people, the people who are struggling, the people who are trying to keep this country running, pay, pay and pay again, and let corporate Canada yet again off the hook and lay the blame at the feet of the working people in this country, of the sick, of the elderly and of the poor".

The business groups in this country, and this government, are wrong about the deficit. It is not government spending that is too high. It is the way that we, in fact, are financing government spending that has been wrong. The cost of carrying past debt is expensive because too much of it is short term and the interest rates are too high. The Minister of Finance should restructure the debt and direct the Bank of Canada to lower its interest rates. The government should quit listening to the business groups which are not paying taxes which tell us on behalf of Canadians that we all have to cut back, that we all have to suffer and that we all have to pay.

I would like to talk just for a moment about my riding of Mission—Coquitlam. My riding is the shake and shingle capital of Canada. We produce in my riding cedar shakes and shingles. As you know, this government has