

*Income Tax Act*

The commission suggested also that we should impose a fair share of the tax on those who make a killing on the stock market and those who evade taxation via the expense account route. The minister has dismissed all this, in spite of the fact that today he announced as one of his goals the establishment of equity. I am not in the habit of rushing to the defence of corporations, but in all fairness I must point out the inequity of the minister's proposals in respect of corporations. He intends to impose a 3 per cent surtax on corporation income tax on companies which do not have these special privileges about which the Carter commission complained. These companies are going to pay proportionately less in taxes than some corporations engaged in general industrial production.

Once again our government is proceeding to sacrifice secondary industry in Canada to primary industries engaged in the export of raw materials. The minister tells us he plans to control prices to achieve stability. He proposes as one of his three goals the establishment of a review board. We still have to find out what that review board is going to do. For a long time we have suggested the establishment of a prices review board, but I am not at all sure the sort of board the minister has in mind will be effective. I am disturbed by the emphasis the minister has placed on control of wages, because he then casually suggested control of other costs and income. I suggest that if you are going to control wages, you must be prepared to control profits. I, for one, doubt whether this is feasible. I am not a businessman but my businessmen friends tell me there are hundreds of ways by which the real profits of a corporation can be concealed. I imagine that if the minister is going to place any reliance on that sort of proposition he will have wage controls and nothing else.

The only cost factor susceptible to control is prices. We have urged the establishment of a prices review board to concentrate solely on prices. We have also urged direct control on prices of those commodities, the costs of which enter into all other costs. This involves in the main corporations which are engaged in massive operations in resource industries. They are extremely powerful corporations and they face extremely powerful trade unions. Quite some time ago I suggested that there are certain areas in the economy where management and labour almost enter into collusion to exact a contribution from the general population. I have suggested before that it is in these areas the government

[Mr. Cameron (Nanaimo-Cowichan-The Islands).]

should have the courage to establish price controls, and then permit labour and capital to fight the battle as to the division of the proceeds. After all, that is why we have trade unions.

I am sure we will be told that the federal government lacks the constitutional power to control prices. It may be that this is correct, but I have difficulty in believing that any provincial government would dare to refuse to co-operate with the federal government in measures to control prices. As a matter of fact, I noticed the other day that the Prime Minister of Ontario suggested that he was prepared to co-operate with the federal government in any attempt it might make to control prices. It seems to me that the constitutional angle is not a very valid point to be used against the proposition of controlling these areas where prices are administered prices, free from competition.

This brings me to the other part of the minister's package of goods, his concept of suitable policy to direct the Canadian economy. He has been full of dark warnings about the position of the Canadian dollar, and if it were not such a ludicrously inappropriate role for him, I would suggest that he has been playing the part of Dickens' Fat Boy of Peckham, and deliberately making our flesh creep with his cryptic comments about the dark international forces, with designs on the Canadian dollar. And of course we have had his mysterious cloak and dagger trips to Washington.

● (9:30 p.m.)

Indeed, I cannot help but wonder whether some of the minister's antics have not added to a very measurable degree to the uncertainty with regard to the Canadian dollar, because I have noted that his reassurances about the state of the Canadian economy and the Canadian dollar always come after the grim forebodings he presents about the dangers to our dollar.

I imagine that there have been, and are now, pressures on the Canadian dollar, if only as side effects of pressures on the United States dollar. One may suspect—in fact, I more than suspect—that there are speculators both within and without Canada who are prepared to be involved in exchange operations in the hope of a devaluation of the Canadian dollar which will hand them a handsome profit, such as those people who speculated on the British pound before devaluation and