

*Government Orders*

1988. The corporate share of the tax burden has declined consistently and substantially under this government.

We know that it was Liberal governments which started the trend. It was they who began shifting taxes from the business community on to working Canadians.

The New Democratic Party's corporate tax proposals are reasonable and prudent. I am going to outline these briefly. First, as I mentioned earlier today, we are calling for the introduction of a minimum corporate tax. Thousands of profitable corporations are not paying their fair share. This is not a radical idea; it is not even a new idea. The United States has a minimum corporate tax as do many other countries.

Let us think of this. While families living below the poverty level are paying taxes, some profitable corporations are paying none. This is not acceptable to Canadians. What we are saying is that a corporate minimum tax at a rate of 20 per cent should be introduced.

Our second phase of corporate tax policy is related to deferred taxes. Each year corporations in Canada defer roughly \$2 billion in taxes. These deferred taxes act as a permanent source of funding without interest. We are saying that there should be interest charged on these deferred taxes.

Certainly, if Canadians across the country borrow money, they have to pay interest on that money. We are simply asking that that be done for corporations.

Another suggestion is that the government should clamp down on corporate cheaters. Revenue Canada's auditing of corporations has declined dramatically over the last decade. Yet for every dollar Revenue Canada spends collecting corporate tax returns it recovers \$17. Surely, more funding should be put into that area so that we can recover the taxes that are rightly owing.

Finally, I would like to say something about modifying the system of taxation. The government said at one point that all of its policies would have an environmental review. What about the effect of this tax on environmental matters?

First, there is no incentive for people to buy more environmentally friendly products under this kind of system. Surely, this should be fundamental to the kind of tax reform that this government undertakes, if it cares

about the environment and if it cares about making a truly fair tax system.

• (1700)

Therefore, the final tax policy proposal I will put forward is that a royal commission on taxation be established. There has not been one, Madam Speaker, as you know, for about a quarter of a century and we are sorely in need of genuine tax reform.

I am suggesting that the commission's mandate should be manyfold. It should determine how the government can best attain stable revenues through the tax system, determine how the tax system can be used to promote full employment, and determine how the tax system can be used to promote a more equitable society.

Finally, the royal commission must be charged with creating a tax system that takes into account the environmental aspects of our purchases and, indeed, of our system, a system that recognizes that the protection of our natural environment is the most fundamental issue facing Canadians and all humanity today.

I would conclude by saying that this goods and services tax must go. This is an unfair tax and an unjust tax. What this country needs more than ever is a tax system that is progressive, equitable and just. What this country needs is a reduction in interest rates, a full employment policy, an enhanced trading relationship with Europe and Asia, a strong system of social programs to serve the needs of Canadians.

As Leader of the New Democratic Party, and on behalf of millions of Canadians from all walks of life and from every region of this land, I urge this government to scrap the goods and services tax and to introduce genuine, sound and equitable tax reforms so that we can meet the needs of the people and the challenges which lie ahead.

**Some hon. members:** Hear, hear!

**The Acting Speaker (Mrs. Champagne):** According to the order made earlier this day, the House will now proceed to a one-hour question and answer period.

I am told, and I realize that there are quite a few members who are prepared to ask questions of the minister. I think if preambles were kept as short as