

*Income Tax Act*

referring to the new flow-through share provision concerning the mining industry which makes it possible for investors to buy flow-shares without being concerned about their responsibilities toward third parties in case of events occurring during the exploration or development stage. This is another major step showing a widening of exemptions in the case of the tax deduction which must be made in the mining industry, so that the people in the Abitibi riding and elsewhere may get what they need to encourage the economic development in their area.

There is also a widening of exemption in the case of tax deduction for non-residents, in order to make it possible for Canadian corporations to go to foreign financial markets and reduce their borrowing cost on international markets.

Finally, Madam Speaker, that is part of what we have been preaching for the past two years and is slowly becoming reality. Yesterday, in Montreal, the Prime Minister (Mr. Mulroney) indicated in an excellent speech that Montreal was doing just fine. Montreal has been progressing rapidly over the past two years. This is thanks to the provincial Government, the municipal Government, but certainly not thanks to the opposition, Madam Speaker. Last week, he said the same thing in Toronto, and that is true, Madam Speaker; buildings have been going up like mushrooms both in Montreal and Toronto over the past two years. When people go to the Maritimes, they hear exactly the same thing. They hear out West that the economy is recovering and that the federal Government has made tremendous efforts to this day to achieve this. Things are progressing on all levels. Why? Because both on the domestic and international levels, Canada is taking the place it deserves. We have done away with the famous legislation which you know and we have replaced it with Investment Canada. This has done a lot of good. It has been important for Canada. A number of Hon. Members opposite, I see, are laughing, but they have to admit that it has been useful and that is what is needed in Canada.

As far as small- and medium-size businesses are concerned, Madam Speaker—I know how deeply you feel about that issue in your own riding just as I do in mine—we have abolished as of January 1, 1987, the 12.5 per cent tax on dividends paid by corporations. This means for shareholders the possibility to invest more, to receive dividends and do something else with them. This means that we are helping our small businesses progress and recover, giving them more incentive and helping them create more jobs both in Quebec and the rest of Canada. I think it is important to emphasize the contribution of small businesses in Canada. As you know, Madam Speaker, they are responsible for 70 per cent of all jobs created in this country. That is why in Bill C-23, introduced by the Minister of Finance (Mr. Wilson), we have taken this into account and shown our support for small businesses.

Madam Speaker, there are many other things which I could mention concerning Bill C-23, but what we should remember is that there are many important things which are provided for

and implemented in 1986. I have named several. There also others. And Bill C-23 should be passed by this House as soon as possible so that it may be implemented in 1986 for the benefit of all Canadians before the holiday season. There are no bad provisions in Bill C-23, it is unfortunate but there are none.

**An Hon. Member:** You should read it before saying that.

**Mr. Vincent:** I read it. Read it over yourself. I will be pleased to answer your questions. These are fine measures. These measures will mean progress for the Canadian economy; they will deal with the different groups in our society whether they are large or small corporations, high income people who are now liable to a minimum tax, the handicapped, the superannuated. There are good things for every Canadian corporation and individual. In such a context, Madam Speaker, I ask the Members opposite to support and pass Bill C-23 as soon as possible.

**Mr. Raymond Garneau (Laval-des-Rapides):** Madam Speaker, while I welcome this opportunity to speak to Bill C-23, which contains hundreds of pages and will result in a major increase in the tax burden on Canadians, I am most unpleasantly surprised by the fact that the Government team did not see fit to explain, and assume political responsibility for, this government policy. This task was delegated to a parliamentary assistant who is no longer—who is not a Minister, although he might have been after the last cabinet shuffle, and he has been entrusted with the task to come before the House and explain this very significant piece of legislation. I am saying all this, Madam Speaker, because it seems to me that the Hon. Member for Trois-Rivières (Mr. Vincent), who made the introductory speech, certainly did not give the proposed legislation complete and careful scrutiny, if we are to judge by what he has said today.

Madam Speaker, upon hearing the Hon. Member, especially towards the end of his speech, one had the impression that the purpose of this Bill was to hand out money to all and sundry, while the exact opposite is true. This legislation will take money away from everyone except, and I will get back to this later, for some clauses which we may be prepared to support. On the whole, however, this Bill taxes everyone, and what is worse, it taxes people on low incomes more than the rich.

First of all, I would like to put this into the proper context and ask public opinion as well to be the judge of the Government's tax changes. Madam Speaker, to put this into perspective, we must go back to what members of the present Government were telling us, before the 1984 election campaign and later on, regarding two or three issues that are extremely important in terms of political choice.

**An Hon. Member:** Where are the Ministers?

**Mr. Gauthier:** There isn't a single Minister in the House. Shame!

**Mr. Rossi:** What else is new?