

In the absence of any accurate figures from the Department of Finance I am going to give you a figure, Mr. Speaker. I will give you a figure based on estimates made by the Minister of Finance last July for 1973 when he said that for the two concessions together it would cost about \$500 million. Based on the increase in profits which is taking place in Canada now, and based on the fact that fast writeoffs are for two years instead of only one year, meaning that a piece of equipment bought in 1973 was written off to the extent of 50 per cent in 1973 and 50 per cent in 1974, and a piece of equipment bought in 1974 will be subject to the same thing; taking all those elements into account, I am confident that the loss to the federal treasury as a result of these concessions in 1974-75 will be well over \$1 billion.

Some hon. Members: Shame, shame!

Mr. Lewis: What does that mean in human terms? It means that over \$1 billion would be enough to increase old age pensions for every old age pensioner \$45 and more a month.

Some hon. Members: Hear, hear!

● (1630)

Mr. Lewis: An amount of \$1 billion a year in 1974-75 is more than double what it costs the treasury to give this measly \$50 income tax cut to the individual taxpayer in Canada. These things are happening at a time of enormous profits in this country.

The minister said, and some of the writings I have seen since indicate that some people have swallowed it, that \$450 million would be taken out of the petroleum and mining corporations in 1974-75. May I say first that is not true. What the minister was talking about was a liability on behalf of these corporations, and when you remember the concessions to mining and petroleum are still there, God alone knows how much of the \$450 million will in fact be paid into the treasury, both federal and provincial. But we have this thing at a time of immense profits.

Imperial Oil in the first quarter of this year over the first quarter of 1973 had an increase of 101.5 per cent, and in 1972 their profits were high enough. Gulf Oil in the same period had an increase of 100 per cent. Shell Oil had an increase of 78 per cent. Noranda Mines had an increase of 67 per cent. Rio Algom Mines had an increase of 74 per cent, not to mention the 700 per cent increase in 1973 over 1972 for Falconbridge or the 107 per cent increase in 1973 over 1972 for Inco. In this kind of situation I suggest that the small tax adjustments which the minister made last night in respect of these corporations are a laugh. Sure, the corporations will complain publicly. Surely, they will object to the loss of some of their gains, but I am certain that when their presidents and directors went to bed last night they included John Turner in their prayers.

Mr. Deputy Speaker: I hope, however, that they referred to him as the Minister of Finance since we usually do not designate each other by names in this chamber.

Mr. Lewis: Mr. Speaker, I know that of course, but I had a notion that the Minister of Finance knows these people so well that in their prayers they would simply say

The Budget—Mr. Lewis

"John". I have not said all that I would like to say, and if hon. members would give me a little extra time I would be glad to use it.

Mr. Deputy Speaker: Perhaps the Chair could put the request in the name of the hon. member for York South, since he has approximately 45 seconds remaining. Is it agreed that he have an extension of time.

Some hon. Members: Agreed.

Mr. Lewis: Thank you very much, Mr. Speaker. I express my gratitude to the members of this House. The minister rejected the excess profits tax mainly because he said they could not technically define what is desirable and what is excess profit. There was not sufficient ingenuity in his department to be able to solve the technical problem. I have seen the work of his department before. The people in his department have ingenuity enough when they want to do their own thing. The only time they lack ingenuity is when we want them to do the right thing. But the minister says to the people of Canada and to this House, not in these words but to this effect, that he will not bring in an excess profit tax but that he has a new one, a 10 per cent surtax on corporate taxes. That sounded pretty good until I read the entire paragraph and found that he had excluded a number of areas of the economy.

He excluded, let me say quickly so that he will not have to remind me, small businesses and I agree with him that they should be excluded. I have no argument with that. There is no end to my generosity. However, from the 10 per cent surtax the minister excludes processing, mining, petroleum, investment corporations, mortgage investment corporations, mutual fund corporations and non-resident owned investment corporations. Let us be fair—he leaves the banking and financial institutions and they ought to be kicked a great deal more than in the past, I agree. He leaves some other industries. The point I want to make is that the areas of the economy which made the largest profits in 1973-74, which had the largest increases in profits in 1973-74, are excluded from the 10 per cent surtax. The suggestion that that is an alternative to the excess profits tax is really an unacceptable thing. Then, there is the half tax on capital gains which remains.

Now, Mr. Speaker, I have come to my concluding paragraph or two.

Some hon. Members: Hear, hear!

Mr. Lewis: Mr. Speaker, I had hoped that I would be sufficiently sharp in my remarks that the Liberals would not have any energy left in their arms to applaud when I told them I was about to conclude. I am glad to see they are still there. Seriously, Mr. Speaker, when this parliament began in January, 1973, the New Democratic members of this House said to parliament and to the country that we would do our best to help parliament work; that so long as the government and parliament produced things that in our judgment—and it is only our judgment we can use, not anyone else's—were for the benefit of Canada and Canadians we would continue to help make parliament work. We did so during the last session. The session was productive and useful for the people of Canada. We in the New Democratic Party in this House of Commons are