

*Oral Questions*

What I think the hon. member is getting at is the position of the New Democratic Party to scrap the capital gains tax exemption. Many of the corporations to which she refers are either claiming back their previous losses or in fact claiming their exemptions under capital gains.

If it is the position of members of the NDP to reaffirm the fact that they want to scrap all capital gains, why do not stand up and say so? In many respects that is what is reducing the over-all taxes paid by companies, small companies and farmers, I might say.

**Hon. Audrey McLaughlin (Yukon):** Mr. Speaker, it is the policy of the New Democratic Party that the profitable corporations pay their fair share, that we stop penalizing low income and middle income citizens, and that we get rid of the GST that penalizes every Canadian regardless of income and has been hurtful to small business.

I will be very clear about the NDP policy to the Minister of Finance, but the Minister of Finance says that I have neglected to observe about how corporations have not paid interest on their deferred taxes. No, I have not neglected to observe that. Nor have I neglected to observe that Ranger Oil paid no taxes in 1990 on \$41 million in profits and that Canadian Pacific Ltd. paid no taxes in 1990 on \$48.3 million in profits.

When is the minister going to stand up to the corporations, force them to co-operate and institute a minimum corporate tax?

**Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance):** Mr. Speaker, the hon. member overlooks the fact that from time to time corporations and all businesses have losses and that they are able to carry those losses forward to future years and claim their losses against the income of earlier years.

I guess the hon. member is suggesting a budget like that which was brought down by the province of British Columbia. The federal government moved in to provide tax breaks to individuals and to corporations to create jobs and create new opportunities. The provincial Government of British Columbia came in and socked a \$750 million tax burden upon individual Canadians in B.C. as well as corporations.

I think the corporations have really made very clear what they think of that. It is not going to create new jobs. They may move out of the country or they may move to Alberta. In so far as Bobby Rae's Speech from the Throne is concerned, the Ontario Chamber of Commerce had this to say: "The Government of Ontario is continuing along the same destructive path that has already wreaked havoc on Ontario's"—

**Some hon. members:** Time, time.

**Some hon. members:** More, more.

\* \* \*

[*Translation*]

### THE ENVIRONMENT

**Mr. Paul Martin (LaSalle—Émard):** Mr. Speaker, my question is directed to the Acting Minister of the Environment. As part of the North American free trade talks, the government is committed to negotiating a corollary agreement on the environment. So far, we have received no information whatsoever on the contents of that agreement or Canada's objectives.

Could the minister give the House the assurance that the government is not only negotiating common standards for all three countries but that any new exports from Mexico to Canada will be conditional on the way these standards are applied?

• (1430)

[*English*]

**Hon. Pauline Browes (Minister of State (Environment)):** Mr. Speaker, I would like to share with the House of Commons that when the environment ministers for Canada and the provinces met in British Columbia just a few weeks ago, we had the opportunity of having the Under-Secretary of State for Mexico for the Environment give us the outline of the situation that is happening in Mexico.

I was very pleased, and I am sure the environment ministers from the provinces were pleased, to know of the exact regulations that are being put in place for those companies that are setting up businesses in Mexico.

We do know that there are environmental problems in Mexico. There is another whole system in place that the Mexican government has in order to clean up those