

Income Tax Act

before taxes and taxable income by selected industries for the year 1965 to 1968, you will see that the book profit of the metal mining industry was \$1,707 million while their taxable income was only \$222 million. In other words they paid taxes on only 13 per cent of their income.

In the mineral fuels field the book profit was \$795 million while the taxable income was only \$45 million. They paid taxes on only 5.7 per cent of their profits. Under the heading "Other Mining" the book profit was \$374 million while the taxable income was \$120 million. They paid taxes on only 32 per cent of their taxable income. In respect of manufacturing we have the point the hon. member for Duvernay has repeatedly been making. In the manufacturing industry the book profits were \$12,745 million while the taxable income was \$8,052 million. They paid taxes on 63 per cent of their profits. The retail trade, however, made a profit of \$1,620 million while the taxable income was \$1,445 million. They paid taxes on 90 per cent of their profit.

• (3:20 p.m.)

Is it any wonder that we are in trouble? Is it any wonder that Canadian and foreign money has been increasingly funnelled into the mining industry, the oil industry, the gas industry and the extractive industries which are capital-intensive and employ a relatively small number of people? Is it any wonder that Canadian and foreign money has not been channelled into the manufacturing industries which employ large numbers of people?

Mr. Speaker: I apologize to the hon. member, but I must interrupt him since his time has expired. He may continue with the unanimous consent of the House.

Some hon. Members: Continue.

Some hon. Members: No.

Mr. Speaker: There does not appear to be unanimous consent. Is there unanimity?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: I regret to advise the hon. member that there is no unanimity.

Mr. William Skoreyko (Edmonton East): Mr. Speaker, I am delighted to have this opportunity to participate in the debate, particularly because the Prime Minister (Mr. Trudeau) seemed to indicate today—at least I thought he did—that he sensed a long and protracted debate. I do not believe that to be true. But I believe that time should be allowed for the opposition parties to project their arguments as far as they possibly can.

I congratulate the hon. member for Edmonton West (Mr. Lambert) for having proposed the amendment before the House. It gives the official opposition the opportunity to bring to the government's attention the seriousness of the economic situation of our country. A measure as important as tax legislation traditionally has revealed and should reveal remedies to cure ailments from which our society suffers. Nothing in this tax bill, at least so far as I am concerned, counters any of the problems facing our country today. This administration appears so far to have

[Mr. Orlikow.]

been so administratively inept that none of the provisions included in this tax measure could do anything for the unemployed.

This is a measure on which the government, if they have confidence in it, could justify an election. Only the good Lord knows how an election could possibly be justified in the third session of this Parliament with a record as bad as that which can be charged to this administration. If any measure could prompt a government into some kind of action, it is this one. It is apparent that this one-man administration is completely oblivious of the problems of the unemployed, of business big and small, of agriculture, of fishing—you name it, Mr. Speaker.

The \$50,000 over an eight-year period for a total of \$400,000 in earnings before a 50 per cent tax is applied to small businesses is, to small business in this country, a devastating piece of legislation. Over and over again we hear about the money that is reserved in the Temporary Wheat Reserves Act. Surely that would help the farmers of western Canada. I have a serious suspicion that this may be held out as a pre-election dole.

So many things have happened to and with this government since the third session of this Parliament began. The third session began with all kinds of glowing promises, and all of a sudden a unique situation developed and the War Measures Act was invoked. Every member of this House of Commons knows that the essence of law and order is the federal government's responsibility. Yet the federal government invoked the War Measures Act, turned that act over to the Attorney General of the province of Quebec to administer and then picked up the \$12 million tab—but there is no money for the unemployed!

Immediately after the Quebec crisis was over, inflation was the next thing with which the government had to deal. In a sloppy attempt to curb inflation the government created chaos, massive unemployment, doubt on the money market, impeded industrial development, impeded industrial expansion and created doubt in the minds of international investors in Canadian industries. We witnessed a most inept and incompetent administration at work—ministers leaving, others resigning. But before all this came the white paper, then the amendments, then the bill and then the amendment before us.

I want to deal with this amendment for a moment. The amendment reads:

—this House deeply concerned with unacceptable levels of inflation, persisting unemployment and stagnant industry and conscious of the necessity for meaningful tax reform declines to give second reading to a bill which does not provide sufficient stimulus to the economy of Canada with appropriate tax cuts and incentives, does not contain adequate tax exemptions and is not calculated to materially improve business and labour conditions in Canada now or in the foreseeable future.

I think it is one of the most appropriately worded amendments presented to this House in a long time.

Some hon. Members: Hear, hear!

Mr. Skoreyko: One thing that concerns me somewhat is that a number of hon. members on the other side of the House had a great deal to say when the white paper on income tax was before the committee, but one does not hear much from them today. Surely they must have something to say either for or against this measure, but they sit