

Oral Questions

States market that we obtained under the free trade agreement.

We do not want to lose that. We do not intend to lose that.

[Translation]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, Montreal's manufacturing industry provides over 20 per cent of all the jobs in the metropolitan area, and these jobs are threatened by the current talks between Canada, Mexico and the United States. What does the government intend to do to reassure 200,000 Montreal workers whose jobs are threatened by these negotiations between Canada, United States and Mexico? What is going to be done for 200,000 workers in Montreal?

[English]

Hon. William C. Winegard (Minister for Science): Mr. Speaker, the first thing we are doing is being in constant consultation with the industry and the workers. We do not want to see extensive losses of jobs overnight in Montreal and we are going to do our best in these negotiations to prevent that.

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[Translation]

EMPLOYMENT

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Minister of Finance. There are now a million and a half people out of work in this country. The government says it can do nothing because of the deficit, and it is doing nothing to create jobs in Canada. Could the finance minister tell us whether he has explored all possibilities for increasing revenue in order to create jobs in this country?

[English]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, indeed that is the case. I think the hon. member on reflection, when she looks at the budget, will see that there are many initiatives in it which will not only preserve jobs but create new jobs and improve Canada's competitive position.

Dealing with specifics, the budget contained a proposal to use funds from individuals' RRSPs to encourage the

housing sector. I think the hon. member would agree that has stimulated the housing sector.

Also my colleague, the Minister of Public Works, announced on February 3 the first home loan insurance program. I am pleased to say—and I am sure the hon. member would be pleased to note it—that some 12,500 Canadian households have made use of the first home loan insurance program. That constitutes an investment of \$1.2 billion in the housing industry.

That is bound to have a stimulative effect not only on the house building industry but indeed on the provision of supplies, articles and appliances to those new homes. I think the hon. member would find that very encouraging.

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CORPORATE TAXATION

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is for the Minister of Finance.

My question was related to raising revenues. The minister has often talked about the deficit. All of us are concerned about the deficit.

The minister has also consistently overlooked one source of revenue that he has not tapped. Certainly we know that middle income and poor Canadians cannot pay one more cent in tax, but what about the most single untapped resource, and that is profitable corporations?

Let me give an example. In 1990 North Canadian Oil made \$39 million. It paid its chief executive officer almost \$500,000 a year in salary and did not pay one cent in tax to the Canadian government.

Will the government introduce a minimum tax on profitable corporations so that we can get the revenue built up in this country and that those people who are suffering because they do not have jobs will be able to have jobs?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am sure the hon. member has failed to recognize that as a result of tax reform and the broadening of the tax base as it applies to corporations across Canada, additional cash taxes paid in 1988 as a result of base broadening were \$1.570 billion. It is pretty clear that tax reform has had an effect upon a fair and more equitable tax system.