

Borrowing Authority Act

The Acting Speaker (Mr. Guilbault): Order, please. I must remind the Hon. Member that he should try to relate his remarks to Bill C-21 which is before us. Discussing the deficit in another jurisdiction—

Mr. Nickerson: It is an analogy.

The Acting Speaker (Mr. Guilbault): Yes. The Hon. Member can mention *en passant* what is happening in a province but he cannot make his whole speech on something other than Bill C-21.

Mr. de Jong: Mr. Speaker, I would like to debate the point with you but I do not want to lose part of my ten minutes. I was attempting to show in a discussion on deficit financing some of the deficits that are occurring. I was attempting to point out some of the track records of some political parties which are making certain claims in this House. I believe it is very relevant to this debate and what is being said here. It is certainly a heck of a lot more relevant than whether chocolate bar wrappers have French on them or not.

Not only do we find deficit financing in Saskatchewan but we find it in Tory Ontario, Tory Alberta, and Tory British Columbia. The highest deficit in Great Britain has occurred under a Tory Government led by Margaret Thatcher. We find the highest deficit in the history of the United States has occurred under a new right-wing President, Ronald Reagan. Why do we have a Party that believes in less government, in cutting government services, yet when Conservatives get into government they end up having some of the largest deficits in the history of their jurisdictions? At the same time these governments are cutting government services and social programs. This is happening in the United States, Great Britain, in the Province of Saskatchewan, the Province of Alberta, the Province of British Columbia and the Province of Ontario. We wonder why.

The Conservatives do know how to cut government spending but they do not know how to raise government revenues in a fair and equitable manner. That is the cause of major deficits.

En passant, Mr. Speaker, to use Saskatchewan as example, in the last year of the NDP Government of 1981-82, some \$512 million in provincial revenues were collected through income tax. At the same time, from our non-renewable resources in Saskatchewan the provincial government collected some \$758 million. How does this compare to the Tory record of 1984-85? Well, personal income tax as a percentage of provincial revenues has gone up some 40 per cent. The provincial coffers collected \$714 million from personal income tax, up some \$200 million. But what happened to revenues from non-renewable resources? There was no change, Mr. Speaker. The Government is still collecting \$759 million from resources. In other words, the percentage of public revenues from the personal income sector has increased, yet that from the corporate and resource sector has, as a percentage, decreased.

• (1230)

We find the same circumstance, Mr. Speaker, with our national Government. The Liberal and Tory economic policies do not differ all that much. We find it on the federal level. In 1952 total tax revenues from individual taxpayers was some 46.3 per cent, while the corporate sector provided some 53.7 per cent of the total taxes which were collected in 1950. In 1962, individuals were paying 59.9 per cent of the total revenues whereas the corporate sector share had dropped down to 40.1 per cent. The latest statistics are for 1980, when the federal Government took in \$24.9 billion in revenue, 30.5 per cent of which is derived from the corporate sector and 69.4 per cent from individuals.

That is the problem, Mr. Speaker. Government has allowed the multinational corporations tax loopholes and special tax incentives, so that they are no longer carrying their fair share of the tax burden in Canada. It is not that we are over-spending on social programs. Canada's record in terms of social programs is certainly not one of the best in the world. Some European countries, Mr. Speaker, Germany, Holland and the Scandinavian countries, with much less natural resources than Canada, pay their old age pensioners, unemployed, sick and disabled much better pensions and income support than we do here in North America. Yet, Mr. Speaker, they do not have deficits because they make certain that everyone pays their fair share. We do not, Mr. Speaker.

I am reminded of a recent article in *The Globe and Mail* about how big corporations beat the tax man for billions by using tax havens, setting up dummy companies in Bermuda or in the Dutch Antilles, costing the Canadian taxpayers billions of dollars every year. I am reminded, Mr. Speaker, of the \$22 billion in deferred corporate income taxes for 1980. I am reminded of the billions of dollars which companies like CPR owe the federal treasury in deferred taxes. Yet, Mr. Speaker, not a word about this highway robbery by the corporate elite of this country, the multinationals. It is not the small-businessmen; it is the corporate elite sponsored by the Conservatives or the Liberals.

Essentially, they have the same notion, and that is the trickle-down Reagan economic notion of "You feed the horse a lot of oats and eventually the sparrow will get some". We must watch our step, Mr. Speaker, because it is a slippery road out there and the sparrows are sure not getting any. I stand opposed to the Bill, Mr. Speaker.

Mr. George Baker (Gander-Twillingate): Mr. Speaker, I rise to make a few statements concerning the subject matter before the House and to put a few facts on the table.

The broad economic objective of the last Budget, as was that of the April, 1983 Budget, is to initiate and sustain an investment-led expansion of economic activity which will create employment without the re-emergence of inflation. That basically was the objective. This objective has been pursued both through short-term expansionary measures designed to provide stimulus and jobs and through longer-term initiatives