

Supply

for 1987 in that book which reflect the position before income tax reform. Things have changed fundamentally since that because of the large number of loopholes that we have removed as a result of sales tax reform, and in other budgets, and the result—

Mr. Mills: Corporate preferences haven't been administered.

Mr. Wilson (Etobicoke Centre): Yes, the corporate preferences have been reduced significantly. The result is that the corporate tax rate, the effective tax rate, is higher and the level of profits is lower in this current year. So that tells me one thing, that corporations are paying a higher burden of tax.

The statistics for 1987 show that the chartered banks were paying no tax. This year they will be paying about \$1 billion worth of tax. People earning more than \$50,000 were paying about 32 per cent of the total tax burden in 1982. This year they will be paying about 38 per cent of the total tax burden.

If my hon. friend is fair to me and honest with the people of Canada he will use the proper figures and not figures that are out of date and provide an inappropriate illustration of what is going on.

• (1620)

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the minister, in what was a chance for him to defend his policies, put forward a sunset of hopeful suggestions for this economy and for the future.

He suggested first that we have a fair fiscal and economic system in this country. Second, if I can quote his comments during Question Period today: "Our way is going to work", in short, that his economic strategy will be successful. Third, the tax which he is putting into effect at this point, the goods and services tax, is somehow exactly what this country needs. Let me suggest in all three of these points that the minister has tried to put forward that he is completely and utterly off base, completely and utterly wrong.

Let us look at the question of fairness. The fact is that across this country there are corporations which for the latest years for which we have statistics, not 1987 but 1989, these corporations—and I will give some exam-

ples—in fact gave greater donations to the Conservative Party of Canada than they made in terms of taxation contributions to the government of this country.

The donation of Xerox Canada to the Conservatives was small, only \$11,500. If you consider their profits were \$74.6 million, that might seem rather cheap. The minister might be rather unhappy with Xerox Canada. I suggest that he should be much more unhappy from a policy point of view that this same Xerox Canada, with its \$11,500 contribution to his party, paid not a penny of taxes to the revenues of this country.

Confederation Life was not a great contributor to the Conservative Party. Its donation was about \$11,200 out of a pre-tax profit of \$103 million. Again, not a single penny paid into the revenues of this country.

Domtar is another example. It is a little bit bigger payer. It made a contribution of \$45,000 to the Conservative Party out of pre-tax profits of \$18 million. Not only did it not pay a penny in tax but received tax credits from the Government of Canada totalling \$21 million.

Power Corporation donated to the Conservative Party over \$72,000 out of profits of \$214.5 million. It paid not a penny to the taxpayers of Canada, not a penny to the Government of Canada, but instead received credits of \$2.1 million from this government.

If that can be called fairness, if that can be something that this minister can stand up and say he makes no apology for with respect to his economic policies, then all I can say is this minister has forgotten what this country is about and what the meaning of fairness is.

If we take a broader picture, if we get away from some of the specifics and look at the period 1984–85 up to 1989–90—again, these are periods the latest for which we have statistics—corporate taxes during that period did increase by 38.8 per cent. Personal taxes increased by 77.4 per cent which is in fact more than double the percentage that corporate taxes increased.

The government has increased sales and excise taxes, which it claims are so unfair in terms of the manufacturers' sales tax, more dramatically than any government in the last 20 years in this country. Those sales and excise taxes increased by 105.5 per cent.