

Ways and Means

his shifting back and forth for some months has added to that uncertainty in the business world.

Some hon. Members: Hear, hear!

● (1500)

Mr. Baldwin: How did you vote?

Mr. Lewis: But if there is any uncertainty in your mind, Mr. Speaker, about the position of the Conservative Party in this House, there will be none about the position of the New Democratic Party.

Some hon. Members: Hear, hear!

Mr. Lewis: Everyone in this House, everyone in the media, everyone in the country knows that we supported the budget of February, 1973. We supported it because it provided among other things a progressive cut in the income tax for individual taxpayers. I might remind you, Mr. Speaker, that the Official Opposition voted against that budget which we supported. But I want to say to the Minister of Finance that his attempt to package the honey of February, 1973, with what we consider to be the poison of May, 1972, will be opposed by us if the bill contains corporate rip-off provisions.

Some hon. Members: Hear, hear!

Mr. Lewis: I suggest that in all honesty and decency the minister should provide the House with two separate bills so that those of us who consider the corporate rip-off unjustified and unnecessary will be able to vote against that aspect, and those of us who wish to support, as we do, individual income tax cuts will be able to vote for them. But if the minister is trying what I consider to be a trick in order to catch those who are opposed to the corporate tax concessions by adding the individual income tax cuts to the measure, he certainly has not learned that the members of my party are tough enough to oppose it.

Some hon. Members: Oh, oh!

Mr. Lewis: Tough enough to oppose the bill, even if it contains individual income tax cuts, as long as it contains the corporate rip-off of May, 1972.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Lewis: I am not surprised at the noise that certain gentlemen in the House are now making. They have been caught by a smart ruse on the part of the Minister of Finance. The Conservatives did exactly what we knew they would do. We knew that, come the crunch, they would get together with the Liberals—

Some hon. Members: Oh, oh!

Mr. Lewis: —to support the tax cuts for corporations.

Mr. Muir: Bring Woodsworth back!

Mr. Speaker: Order, please. This is obviously a very healthy House. However, hon. members should allow the hon. member for York South to pursue his statement.

[Mr. Lewis.]

Mr. Lewis: Mr. Speaker, some have suggested that I was in bed with the Prime Minister.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Perhaps the hon. member might continue his remarks.

Mr. Lewis: When that was suggested, I pointed out that neither of us is a consenting adult. But I point out to you, Mr. Speaker, that the Leader of the Opposition is a consenting adult enjoying the bed now.

Some hon. Members: Oh, oh!

Mr. Lewis: As far as I am concerned, there is no need for a study of the effect of fast write-offs. We have had years of experience. They have not produced employment in the past and they will not do so in the future. They have only deferred taxes for corporations, mainly large and mainly foreign owned. This is a colossal rip-off at the expense of the ordinary taxpayers of Canada. There must be a halt to this rip-off, and we do not intend to support it no matter how it is packaged before the House.

It is a fact that the manufacturing industries of this country now have in their coffers over \$2 billion by way of deferred taxes. Yet the minister wishes to add to this amount. This is unjust and unfair to the ordinary taxpayers. As far as I am concerned, we do not need any study of the effect of the cut in the tax rate on corporations. Corporation profits, without extra concessions from this parliament, have increased rapidly. They went up by 20 per cent in 1972 compared with 1971; they went up by 16 per cent in 1971 compared with 1970; they increased by 35 per cent in the first quarter of 1973 compared with the first quarter of 1972. The profits of the corporations in this country are already too high and we have no right to increase them by making further tax concessions.

Some hon. Members: Hear, hear!

Mr. Lewis: On May 8, 1972, when the Minister of Finance presented his budget, he informed the House that the cost of these concessions to the federal treasury would be about \$500 million. Let me take a few moments to indicate what that means. I hope Your Honour is not becoming impatient because there has been a great deal of interruption and I should like the time in which to finish my remarks. They will not take too long. I want to indicate to the House what the figure means. That amount of \$500 million is \$100 million more than the total cost of the increase in pensions and the adjustment for the cost of living in the guaranteed income supplement. Instead of \$500 million for the corporations the government could have used the money to increase pensions by a further \$20 a month and still have money left over. We could have used that money to increase the individual income tax cut by at least 50 per cent so there would be a minimum of \$150 instead of \$100. We could have used it to reduce freight rates for the Atlantic provinces and the western provinces of Canada in order to stimulate the economies of those regions. We do not need any studies. The proposals of May, 1972, for concessions to corporations are unjustified economically and immoral socially. We do not need