member putting the question. The minister was about ready to answer, but I simply intervened at this moment to make sure that the warning I gave yesterday is going to be followed as closely as possible.

Hon. J. J. McCann (Minister of National Revenue): Mr. Speaker, I rather anticipated that the hon. member for Hamilton West would follow up her interview which was published in the papers on Wednesday, February 27, in which she described the tax action as "deceitful manipulation". On Tuesday, February 26, a report was tabled in the house for the hon. member for Hamilton West giving the number of reassessments of 1950 and 1951 income tax returns which were issued in December, 1956. Arising out of that report, the hon. member for Hamilton West is quoted in the Ottawa *Citizen* of Wednesday, February 27, as having said:

> This is just about as wicked a piece of deceitful manipulation as I have come across.

Mr. Lennard: Hear, hear.

Mr. McCann: I continue:

> Here on the one hand is the Minister of Finance avowing it was not the intention to keep the door open on 1950 and 1951 assessments, while on the other hand the Minister of National Revenue does just that.

Rather than "keeping the door open" on these assessments, as the hon. member for Hamilton West puts it, what we did was to take action on them before the door was closed.

Some hon. Members: Oh, oh.

Mr. McCann: In our view there was nothing reprehensible about so doing. On the contrary, it seems clear that, in deferring until January 1, 1957, the effective date of the amendment reducing to four years the period during which reassessment could be made, parliament intended the intervening period to be used for the purpose of completing our investigations of 1950 and 1951 returns. Where, having done so, it was found that a taxpayer had not paid all the income tax that he should have paid for those years, it surely was our duty to reassess him for the deficiency. If we had not done so before the time limit expired at the end of 1956 we could very properly have been criticized for having deprived the revenue of funds to which it was rightfully entitled.

As I remember the statement made by the Minister of Finance in reply to the hon. member's question relating to this matter, it was that the government was taking no action to circumvent the law as it had obtained at that time and coming into effect on January 1. We have done, with reference to these taxation assessments, what has been done every year at the end of the year to try to close them up even when it was the six-year period to which it could go back. There was no effort made this year to issue assessments for 1951 and 1952 any more than had been done in other years at the end of the year in an attempt to clear up the work of the calendar year.

Mrs. Fairclough: Mr. Speaker, may I direct a supplementary question to the minister. Does he not think that when a taxpayer has received a final assessment or what purports to be a final assessment he has a right to expect it to be final unless there is evidence of fraud?

Mr. McCann: Mr. Speaker, if it is final, it is final; but a great many times they are not final and have to be reassessed or looked into a second time.

Mrs. Fairclough: Apparently these were not.

VETERANS AFFAIRS

IMPLEMENTATION OF PENSION INCREASE RECOMMENDATIONS

On the orders of the day:

Mr. J. C. Van Horne (Restigouche-Madawaska): Mr. Speaker, I wish to direct a question to the Minister of Veterans Affairs. What action, if any, is being taken in regard to the representations made by the Canadian Legion and other veterans organizations for increases in veterans pensions?

Hon. Hugues Lapointe (Minister of Veterans Affairs): Mr. Speaker, if the hon. member had been in the house last week he would have known, because a similar question was asked by his colleagues. I did say at the time that the matter was under consideration by the government.

Mr. Van Horne: A supplementary question, Mr. Speaker. I want to know what action is being taken.

Mr. McCann: You have returned.

Mr. Colin Cameron (Nanaimo): I should like to ask the Minister of Veterans Affairs a question supplementary to the one asked by the hon. member for Restigouche-Madawaska. I was here last week and heard the minister's statement, and there was no information in that statement that I could convey to my constituents. Can the minister give us any information of that sort now? Can he now give us any information to convey to our veteran constituents who are asking questions?