

Income Tax Act

who were in the army and have passed on to their reward would, I am sure, roll over in their graves.

What about the Tory position? In this debate the Tories have talked about tax reform as though any change, no matter what field it is in, will be terrible. They have not been able to discriminate against their big business friends. The previous speaker talked about westerners being different from anyone else. I do not believe that is the case. His party believes in the free enterprise system. I asked a Conservative friend what a free enterpriser was. When I asked if this went back to Adam Smith, he said no, it just went back to Adam. When I asked how he related the two, he said that Eve was free and Adam was free enterprising.

Some hon. Members: Explain.

Mr. Peters: This may be true, Mr. Speaker; this may be their position, but it seems to me very surprising, when they talk of tax reform, to say that any tax reform should be bad reform.

• (5:30 p.m.)

Mr. Dinsdale: No.

Mr. Peters: The hon. member says no, and perhaps I exaggerate. I suppose they would agree that a few of the personal exemptions were good, but they have made a lot of noise about the reforms that were bad, reforms that seem to me to be only a small step in the direction of tax reform, just as the personal exemptions were only a small step in that direction. Members cannot have it both ways, of course.

I am surprised when they talk about socialists in terms of Carter being a socialist. I thought that Carter was a Conservative. Even a little further politically removed, he might have been a Liberal. However, I can assure hon. members that nothing that Carter has ever said has convinced me he is a socialist. Certainly the report of Carter and the members of his commission is not the socialist doctrine of the next century.

Many of us accept the proposals of Carter because they resulted from a comprehensive examination of our tax structures. What he decided, very simply, was that a buck is a buck. I agree that a buck is a buck. Money I receive by way of family allowance consists of bucks. If I make money on the stock exchange, that seems to me a buck too, which is just as easily spent as any other buck. It buys as much beer as my family allowance buck.

It seems to me that Carter's proposals represented a fairly fundamental change. If the Liberals were interested in change they would have paid some attention to these proposals. Although they might have lost some public support, they had the opportunity to make these changes. Not in the third year of their term of office—we have all seen the little pamphlet describing the first three years of the present government—but they could have made these changes in their first year. They did not have to go into all this "b.s." of the white paper. They did not have to have dialogue with the Canadian public; they do not listen to the general public anyway. All they needed to do was to find out which segments of the public vocally opposed certain sections of the report and then modify those sections.

If the Carter proposals have any merit at all, anyone who studies them will agree that that merit stems from the acceptance of all the propositions put forward as a total package, not the adoption of bits and pieces. No doubt some of the Carter proposals are detrimental to certain segments of the economy, there is no question about that, but on balance I think everyone would agree that the Carter proposals are true tax reform. They could have been implemented holus-bolus and Canada would have been the better for it; but adopted piecemeal, Canada is the worse for it.

I am wondering why propositions put forward by those I will call free enterprisers, for want of a better word, always assume that if their proposals are supported by industry or by mining companies then they are good proposals. I know many miners across the country who do not think their proposals are good. In the town of Kirkland Lake there are no mines being operated today. The mines have extracted about half of the wealth of a generation and shipped it to other parts of the world for the generation of wealth there, and at the same time have done absolutely nothing for the Kirkland Lake community. They did not even build the people a community hall. In a similar position is the town of Cobalt, the cradle of Canadian mining. The people of that town were provided over a period of years with a very substandard type of living.

Most of the mining operations of the present day have ceased and the employees have been laid off. The companies say they are waiting for something to happen. What I should like to see them make happen is to get the government to decide to build a smelter in Canada instead of sending our concentrates to Texas or St. Helena. These mining companies are being given a three-year write-off. The uranium industry has been given a total write-off on their expenditure over a ten-year period. A full profit is given on whatever money they spend, over a period of five years in this case. But these measures are not necessarily good for the people of Canada who are still paying a debt to Central Mortgage and Housing for expansion in this particular area.

Many miners have been unable to relocate when laid off. They have established for themselves a standard of living that they have not been able to duplicate and probably never will. It is not always wise to expand industry holus-bolus, because when industry does expand it is usually at the expense of somebody else. Let me give the House an example. Not long ago a gold mine in my region indicated it was going to close down. The company concerned is extensively connected with Panarctic, and I believe they are trying to get \$11 million out of the treasury for investment in other developments being carried out by Panarctic. They do not care about the 300 or 400 employees that they had in the Kirkland Lake area; it has been decided that this money is required in order to make a profit somewhere else. The Canadian public is given no consideration.

I think the situation in Canada has now changed drastically as a result of the surtax imposed by the United States. The situation today is different from the situation six months ago. In addition, I think it is time our tax structure reflected a little more our national interest, to enable us to be economically independent of the United