this up in the House in more detail, when people are here to hear about it.

An hon. Member: Do it now.

Mr. Lundrigan: The government of Canada is gypping the Canadian people—

An hon. Member: Right.

Mr. Lundrigan: —by keeping a document buried in its closets which cost the Canadian people $3 million. The Canadian people paid $3 million to find out where all those jobs are that the Prime Minister talks about.

In 1967, before this Parliament started, the government had instituted this program to determine the manpower opportunities and job vacancies. The government has had that document in its possession for the past six months. This report has been used by various departments for propaganda purposes. It has not been made available to the Canadian people. What kind of participatory democracy are we talking about? The Canadian people will think this is a disgrace, particularly when they learn of the cost of the document.

• (5:30 p.m.)

I will conclude by saying I hope other hon. members will have an opportunity during the few remaining minutes today to refer specifically to the manpower training program. I know what my friend, the young hon. member from Saskatchewan is going to say. He will be talking about the relevancy of the Department of Manpower and Immigration to educational opportunities in Canada. He will be challenging the Minister of Manpower and Immigration (Mr. Lang) to point out to the Prime Minister the need for some co-ordinated effort by the federal government and the provinces in the area of manpower training and the whole field of educational activity. He is an educator. I recognize him as an intelligent parliamentarian, an active parliamentarian. I will be listening carefully to the recommendations he will be making to the Prime Minister and to the department to try to get some co-ordination of effort between the provinces and the federal government in the area of human resource development.

Mr. Jean-R. Roy (Timmins): Mr. Speaker, when discussing this budget measure I would like to deal with the taxation situation of prospectors which will drastically change following adoption of the tax reforms. It will drastically change by virtue of the fact that prospectors presently are exempted from taxation when they receive revenue for the sale of mining property. Under the new tax proposals this revenue will be taxable in 1972.

Up to now the revenue that they derived from the sale of property was considered a capital gain. This was recognized in the white paper which said:

> For many years the act has continued a provision which specifically exempts from tax the proceeds received by a prospector or a grubstaker on the sale of a mining property. This provision was intended to make it clear that the government viewed this type of gain as a capital gain which under the existing system would of course be tax-exempt. Under the new proposals capital gains are to be taxed and this exemption would therefore be repealed.

I would like to point out the difficulty that this repeal will create for the prospector who, by virtue of the type of work he does, and the time limit that is applicable to his earnings and revenues, can go for years without making any really worthwhile revenue. I am referring to the capital gain aspect of his livelihood.

The Standing Committee on Finance, Trade and Economic Affairs recognized this difficulty, and in their 18th report stated:

> We further recommend that taxpayers should be allowed to establish a "bank" of earned depletion as at the start of the system by calculating past exploration and development expenditures less any depletion allowed. There would have to be strict provisions to prevent trafficking in dormant depletion credits.
>
> This proposal is approved for grubstakers. However, we recommend that prospectors continue to be treated as under the present Act.

Here, the committee made a distinction between grubstakers and prospectors.

When the Senate Banking, Trade and Commerce Committee made its report on the white paper, it also recognized the difficulty that this would entail for the prospector, and stated:

> Your Committee recommends against the implementation of proposals in paragraph 5.45 of the White Paper to withdraw an exemption heretofore enjoyed by prospectors and grubstakers under section 83 of the Income Tax Act.

Finally, in the "Summary of 1971 Tax Reform Legislation" it is stated:

> The legislation also provides that no amount will be included in income when individual prospectors and grubstakers sell mining properties to a corporation for shares of that corporation. The individual will be considered to have acquired the shares at no cost and will therefore be taxed on one-half the proceeds of eventual sale of the shares under the normal capital gains rules.

When a prospector receives shares as revenue from the sale of mining property, the tax legislation that will be in effect in 1972 clearly recognizes the capital gain aspect of that type of a revenue. We cannot see how the minister can possibly differentiate between revenue that is cash and revenue that is shares. It seems to me that the capital gain aspect is proved by the fact that there is an increase in value in the capital that is invested. Whether this increase in earnings is paid in money or shares, in peanuts or what-have-you, has nothing to do with it.

Therefore, I would like to make an appeal to the minister and to the government that when they are considering the amendments the minister has promised to introduce early in the new year to the tax reform legislation that will take effect on January 1, 1972, one amendment will deal more fairly with the capital gain aspect of prospectors' earnings. The minister should accept the recommendations of the standing committees of the House and of the Senate, and meet the representations made by prospectors, mining firms and groups all across the country. The fact that there are very few prospectors in Canada should not deter the minister from restoring the situation to what it was, as recommended by the two standing committees.

Finally, I think the minister should recognize the value of the time spent by a prospector in developing properties. An individual prospector who develops a property is not working for anyone else, does not have access to weekly earnings or salary of any sort, and depends on the once-in-a-lifetime sale of that property for his livelihood. I