

*Income Tax Act*

expect any government to remove it during the next ten years. If anything, the tax will be increased. I remember the many times the government has promised us that automobiles would be cheaper. Yet every time I go to my automobile dealer he want \$200 more for a car. Similarly, this tax will increase slowly year by year. As the tax increases, so will the difficulties that our people face.

I heard the minister's explanation regarding the \$340 million which is to be raised from corporations and this brings to mind another question. Why should the government not give some advantage to those who pay their taxes early? If I pay my taxes at the beginning of the year instead of at the end, should not the government compensate me? After all, the government gets its money early and is able to use it. Should there not be some sort of rebate to those who pay their taxes say at the end of six months instead of at the end of the fiscal year?

The minister has not shown how this temporary tax is to be replaced by other taxes. I suspect any taxation reform will be on a piecemeal basis. Certainly the minister has not clearly said whether he endorses the Carter report. A number of my colleagues have asked him about his stand with regard to mining concessions and about his intentions with regard to oil concessions and so on. These matters are brought up in the Carter report and I have not heard the minister say whether he adopts the recommendations made in that report. Would this not be a good time for the minister to say what his intentions are with regard to the Carter report, whether he intends to accept or reject, say in five years, the proposals contained in the Carter report?

**Mr. Sharp:** Mr. Chairman, I will not prolong the debate but I wish to put on record a statement made by the hon. member for Skeena on May 9. I do not wish to misrepresent his words. As recorded on page 15 of *Hansard* for May 9 he said:

—I should like to direct my question to the Minister of Finance. In view of the disastrous effects of the Carter commission report on the mining industry, particularly in British Columbia, will the minister be making an announcement soon regarding the government's intentions in respect of that aspect to the commission report relating to taxation of mining companies?

**Mr. Howard:** Mr. Chairman, I was hoping that the minister would have read those remarks at the beginning when he made his

untruthful accusation that those words represent a devastating attack on the Carter commission report. As the minister knows, it is not. This is another example of his distortion of a factual picture. He attempts to paint an incorrect picture.

The minister read correctly what I said. One reason the Carter commission report had a disastrous effect on the mining industry of British Columbia was that after it had been made the minister sat like a dumb bunny on his fanny and did not say "boo". He did not say what he was going to do. The result was that huge mining corporations in this nation, Noranda being one, used the Carter report as an excuse to pull out of potential development. They said, "Oh, we can't go in there because the Carter commission report has recommended that we lose our tax free period of three years."

The minister gave in to the pressures by subsequently making the announcement that the implementation of that section of the Carter report would not have any effect—I stand to be corrected on the year—until 1974. The question I directed to the minister arose from that situation. Noranda in particular used the Carter report as an excuse to pull out of potential development in a particular area. The real reason they pulled out was that they did not find a sufficient ore body to make development worth while. But they had sucked in the people of the area and in the Carter report they found a convenient way of getting out of the difficult prospect of putting more money into a particular development. It seems sad that a high and mighty Minister of Finance who seeks to be prime minister of this nation has got to degrade himself to the extent of so distorting something that is factual.

**Some hon. Members:** Question.

**Mr. Howard:** As on other occasions when I and other members of this group have been speaking, the minister is reading newspapers and magazine articles. He was doing that while I was making my representations about this matter. I remember some comments I made apropos of something the hon. member for Timiskaming had said about tax allowances for loggers, for instance, who have to buy logging boots, logging clothing and tools for their trade. But the minister paid no attention. If the minister will not pay attention I wonder whether it is worth while putting my remarks on the record. Ah, I see the