

of minimum income, and I should like to state a case to prove this point.

Canadians serving abroad for service organizations who do not receive an income from those service organizations but only an allowance—I am glad to see the Minister of National Revenue (Mr. Guay) in the House because this pertains to his department—are assessed 25 per cent of all income received from Canadian sources. I have before me the tax file of a certain person who served abroad for two years. He was a Canadian who received an allowance for living expenses and shelter, but very little beyond that. He had a little money in a bank in Canada, and his earnings were under \$1,000. Guess what the government took out of that \$1,000, Mr. Speaker? It deducted 25 per cent, almost \$250, of his earnings for the year.

I know what the government's reaction to that will be. It will simply say that beyond a certain level there are people trying to get tax shelters, hence the 25 per cent. I understand that, but surely there is a limit, especially when Canadians are working abroad and, I suggest, contributing to our foreign aid commitment to the developing world. I submit this section of the Income Tax Act should be re-examined and amended. The fact of the matter is that there is no way any member of the House can justify confiscation of this kind.

**Mr. Guay (St. Boniface):** He was earning a salary over there, was he not?

**Mr. Epp:** The Minister of National Revenue says, "He was earning a salary over there, was he not?" The fact is that he was not. It is because these people are not earning a salary that the 25 per cent is deducted. If they were earning a salary, then the deduction would be based on the salary they received.

**Mr. Guay (St. Boniface):** I just wanted to clarify that.

**M. Epp:** Since the government is so keen to generate new enterprise in the economy, I hope the Minister of Industry, Trade and Commerce, who is in the House, will take note of a suggestion I wish to make, and that before too long we will see some positive results. I believe there is a tremendous future in a specific industry in this country. I refer to the mining in Canada of cesium, lithium and tantalum.

Tantalum Mining, which is owned by Chemalloy of Toronto, has laid claim to cesium deposits in northeastern Manitoba. It is generally recognized that in that part of Manitoba, which is in my riding in the area of Lac du Bonnet and Lake Bernic, approximately two thirds of the world's known cesium deposits are located. Roughly 30 per cent are located in Rhodesia, and in view of what is happening in that country I think we can say that that supply of cesium is at best doubtful at this moment. The remaining portion is located in other countries, but roughly two thirds lies in northeast Manitoba.

About the only country which has been buying cesium has been the Union of Soviet Socialist Republics. This government placed cesium on the export control list and it is not being exported any more. Now, Mr. Speaker, I am not questioning

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the rightness or wrongness of that decision, but I would point out that this has been a body blow to this mining operation in my riding and to any attempt to create jobs, especially in the base metal industry.

Why I say to the government that I am not questioning the decision to place cesium on the export control list is that it is believed that the Soviet Union is using it for aerospace propulsion purposes. I do not argue that point. What I am arguing is this, that cesium is known to have qualities that make it suitable for use in high technology industries, and frankly we have not researched this area at all. I would ask the Minister of Industry, Trade and Commerce to take a look at the situation because I believe that this is an area where Canadians could become leaders, particularly since we have the advantage of substantial cesium deposits.

I am not an expert on cesium and I doubt whether any member of the House is, but experts tell me that potential uses of cesium lie in the fields of electronics, ceramics, aerospace propulsion, as I have already mentioned, and power generation. Further, it can be used in the manufacture of photomultiplier tubes, vacuum tubes, scintillation counters, magnetometers, infra-red lamps, and pharmaceutical goods.

The point I want to make is that a lot of research is needed in this area. But instead of putting research money into this industry, what we have done is simply to clamp export controls on the product. One hon. member made the point the other night that there is a greater potential for job creation not in the development of resource metals but rather in high technology fields. Here, Mr. Speaker, is an opportunity. But I offer one caution which is based on long experience of disappointment as a western Canadian. Although we want to see research and development in this area, I would tell the Minister of Industry, Trade and Commerce, who comes from the same general area of the country as I, that we would like to see jobs created in this particular industry in our area. If there is a manufacturing opportunity here, we would like to see it encouraged in our area.

I am not being selfish, Mr. Speaker. I base my argument on the fact that although in western Canada we have agricultural commodities and natural resource based industries, we must now move toward a more mature secondary economy. There is a possibility right here which I hope the Minister of Industry, Trade and Commerce will investigate. Certainly I would be willing to co-operate with him in any way I can.

In this day and age of shortages of energy, the Union of Soviet Socialist Republics is at the present time developing a pilot plant using cesium which, as I understand it, produces greater efficiency in the burning of coal. Statistics indicate they have gone from a 40 per cent efficiency rate to a 60 per cent efficiency rate, and this is still in the format stage. I suggest to the government that if it is necessary to put this under export controls or on the controls list, and the reasons are valid, I accept that. On the other hand, let us move forward and be the leaders in this area.