

Mr. Stanfield: Just as clearly?

Mr. Lewis: May I ask the Minister of Finance whether he intends to produce amendments to the existing Income Tax Act or to produce a completely revised act, and whether that is the reason for the long delay in the presentation of the budget into the month of June, which is not usual?

Mr. Benson: All I can say is that there will be substantial changes to the present income tax legislation.

Mr. Speaker: I will recognize the hon. member for Huron on a supplementary question and then go to the hon. member for Bellechasse and next to the hon. member for St. John's East who wishes to ask a supplementary to a prior question.

ASSISTANCE TO EXPORT INDUSTRIES BECAUSE OF
FLOATING DOLLAR

Mr. R. E. McKinley (Huron): Can the Minister of Finance advise the House whether or not the government has approved and provided any financial assistance to those export industries which have been severely hurt by the floating dollar, as the Minister of Industry, Trade and Commerce said the government would?

Hon. E. J. Benson (Minister of Finance): What I have indicated is that there are assistance programs in the Department of Industry, Trade and Commerce to aid industry which is hurt by particular actions of the government in this regard.

[Translation]

SUGGESTED REDUCTION OF TAXES TO INCREASE
PURCHASING POWER

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I wish to direct a question to the Minister of Finance.

Following the statement made by Mr. Arthur Smith, chairman of the Economic Council of Canada, that Canada should find new programs to increase the spending power of Canadians, will the minister recommend a reduction in taxes which affect chiefly the small taxpayers so as to improve their spending power?

[English]

Hon. E. J. Benson (Minister of Finance): I think that the programs we announced last December, including the putting of \$200 million this year into the hands of old age pensioners, will help the purchasing power of consumers.

[Translation]

Mr. Lambert (Bellechasse): Mr. Speaker, I should like to ask a supplementary question.

While realizing that some progress has been made in this field, would the minister recommend another policy, in addition to the \$200 million already announced, to give small taxpayers a better chance?

[English]

Mr. Benson: In my proposals put forward in the white paper on tax reform there was a substantial shift in the

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tax burden from the taxpayer in the lower bracket. We have not had very many useful suggestions beyond that from the opposition.

LEVEL OF CANADIAN DOLLAR—CONSULTATION WITH
GOVERNMENTS OF ATLANTIC PROVINCES ON
ASSISTANCE TO INDUSTRIES

Mr. James A. McGrath (St. John's East): In light of the evidence produced by the Atlantic Provinces Economic Council to the effect that the appreciation of the Canadian dollar is a major deterrent to the economic recovery of the Atlantic provinces, does the government intend to consult with the governments of the Atlantic provinces with a view to assisting affected industries which are currently being inhibited in their growth plans as a consequence thereof? Perhaps the Minister of Regional Economic Expansion could assist the minister in this regard.

Hon. E. J. Benson (Minister of Finance): The reason for the strength of the Canadian dollar is the extreme success that this government has had in its policy of encouraging exports, and for the first time in recent history we are running a current account surplus in Canada, so there is pressure on the Canadian dollar.

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OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—WASHINGTON MEETING—SUGGESTED FORMAL PARTICIPATION BY CANADA IN DISCUSSIONS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to ask the Acting Prime Minister or the Secretary of State for External Affairs in either capacity, whether the government officials at today's talks in Washington are expressing the position that Canada must be a formal party to the discussions on the initiation of the TAPS route or any other route?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the purpose of the meetings that are being held in Washington is to discuss the concerns that we have about the ecological dangers that arise from the building of this pipeline, and we will be discussing with the United States how best the interests of the Pacific coast of Canada and the United States can be protected.

Mr. Woolliams: Perhaps the Secretary of State for External Affairs did not quite get the import of my question. What I am asking is whether those officials are expressing the position that Canada must be a formal party—I mean formal party—to the discussions on the initiation of the TAPS route or any other route?

Mr. Sharp: Obviously, Mr. Speaker, this is a decision that has to be made by the United States. We are making our representations on the dangers that arise out of the building of that pipeline, none of which will pass through Canada or through any part of Canadian waters. Therefore it is important that the United States should know