

4 we expect, Canadians would pre-empt more of the opportunities for profitable investment in Canada that has been attracting the equity capital of non-residents."

This would be accomplished by "integrating" corporate and personal income taxes, that is, every Canadian shareholder of a Canadian corporation would be granted a 100% credit for taxes, paid on his behalf by the corporation. Shareholders (persons who have direct ownership in a company) would be able to deduct taxes paid by a corporation on their shares, and in consequence, Carter predicted a switch by Canadian investors into stocks from fully taxed bonds. (Bonds are non-ownership securities issued when the company wants to borrow). Since foreign investors would not enjoy the same privilege, Carter predicted an equally vast march by Americans out of stocks and into attractively lower-priced Canadian bonds.

The whole question of integration and of what foreign investors would do is a highly complex one. It is presently the subject of much controversy. Considerations of the rate of interest in foreign countries, of after-tax yield for shareholders, of

tax credits to be or not to be given to foreigners in special circumstances, are at the center of this controversy. Some economists believe the shift could be from Canadian stocks to non-Canadian securities. That would be a disaster.

* * * * *

We should soon know the fate of the report, as the government is presently preparing a White Paper which will set out proposed government policy in the tax field. Finance Minister Sharp has set a December 30 deadline for briefs from interested parties, so we can expect concrete proposals sometime next spring.

Though I have tried to be objective in this article, I have, as the title suggests, given my own views, which generally favour the report. Yet, it is not my opinion that counts, but the opinions of businessmen. They have the power, to a large extent, to determine the future of the report. Are they broadminded enough to accept a system that is based on fairness and not favouritism?



The



THE UN

is at last
than three
tions, the
tri-campus
labours. E
tion dead
of the U
Universit
mon gath
and still

Student
year dur
fall fift
students
the finan
together
students
of the bu

The
the Uni
ment
committ
chairma
of the S
istratio
vide mo
ever, in
which
the SU
Mackay
will a
matchi
tions.
are sti
man o