

*Excise Tax Act*

the House should be compelled to do that. What we need is a simple code covering these kinds of amendments.

● (2010)

While the minister is considering that, I want to place a few more arguments before him. First, I want to dispose of the rather ridiculous statement he made that he does not like to leave a tax statute in the vague position in which this legislation would be if such an amendment as the one I proposed were accepted. How ridiculous is the minister's statement! Here he proposes, by an amendment which he has introduced, which allows the government to add to the classes of people who may be exempted from this tax or who may secure a rebate, a person of such other class of persons as the governor in council may by regulations prescribe. That leaves the whole world within the ambit of that description. Any class of people may be defined by an order in council as being liable for the exemption.

This bill is not as concise and precise as a tax bill should be and the minister, by his amendment, has made it plain that that is the case. He can provide any class or group in this country with an exemption.

I will not go back on what I said at the beginning of my remarks that I would much prefer that than the ridiculous aberration put forward in the form of section 149 of the Income Tax Act. But that is not all of it. Also in this clause we find the expression "commercial or business purposes shall have such meaning as the governor in council may determine by regulation". The words "commercial or business purposes" have a very clear and definite dictionary meaning, whether you refer to the Oxford or Webster dictionaries, or any other dictionary. We know what those words mean, and not only do we know because of the normal use of those expressions in business and social life but because of their judicial interpretation.

I think you can go to the law reports and probably find a number of judicial interpretations of what "commercial or business purposes" means. Yet the government has taken to itself the right to place upon these words such tortured or unusual interpretations as it sees fit. In other words, if it is placed in a position of having to make a decision, it can say it does not want to have to make this decision, and it can take the ordinary interpretation of the words "commercial or business purposes" and can change that definition to suit itself. How can the minister say he wants a tax bill with precision and exactitude when he has the right to make these changes, he or whoever may succeed him? I think this is ridiculous. There is no measure of precision about this bill at all. It is a bill which can be widened, so far as exemptions are concerned, or restricted as the governor in council may see fit to do.

The minister has said that there is the right of review of orders in council. I want to call to his attention that there is the right of review by the Joint Committee on Regulations and Other Statutory Instruments which has the right of scrutiny, but not the right of scrutiny which goes to the question of substance. This is one of the limitations. We are not able to go into questions of policy.

If the government sees fit for some reason or other to say it places such and such interpretation on the phrase "commercial or business purposes," or it is going to extend the benefit of the right to give a rebate to some other class,

[Mr. Baldwin.]

the scrutiny committee cannot pass judgment on the basis of the policy or the substance of that decision. If an unexpected or an unusual use is made of a power within the terms of reference, they have the right to comment upon it but not to challenge it in the sense that it can be reviewed and a recommendation made to the House of Commons that it be set aside. I think that is right.

I think that the purpose of the scrutiny committee is not to sit in appeal on the governor in council but to review the instruments, to see whether they conform to the legislation, to see whether they are retroactive in effect; and also they have one particular power, to see whether unexpected or unusual use is being made of the power given. We can only flag it as it goes past, whereas the right a negative resolution gives to the House of Commons, as it ought in matters of this kind, is the right to say that the basis upon which this decision was made was a wrong basis, that it was based on wrong facts, thinking, and assumptions, and that therefore the House, sitting in review by the process triggered off by the negative resolution, has the right to say it will set it aside.

As a matter of practical fact the minister knows, sitting as he does with the majority—I will be kind and not say anything about the quality of the majority—that this House will certainly not set aside the orders in council. But there would be the opportunity for a full, fair, and uninhibited debate so that we can bring to the attention of the country the basis upon which this is done.

I should like to go back to the issue which I raised at the beginning. We are living in a pluralistic society. There are many groups of people with vested interests, and there will be many classes of people in the days ahead who will have occasion to seek from the minister the right to have themselves established as a class suitable for rebate of this tax, and to make other applications. The minister may deal with them as he sees fit on the advice of his officials, and this will be a decision by a government representing 30 per cent of the people eligible to vote, as against the opposition representing almost 40 per cent of people eligible to vote.

While the rules of the game are what they are and the government is formed on the basis of those rules, and while it is true that with regard to legislation we have a chance to debate bills, and occasionally to have a debate that lasts a little longer than normal, such as this one, and we can bring to the attention of the public the defects in the legislation, when it comes to statutory instruments that right does not exist. Statutory instruments, as I indicated before, and statistically it can be established, are the legal documents which affect, more than any bill or any other form of law, the rights of the people in this country.

There is no certainty about the tax bill now; it is wide open to being altered in respect of rebates. I suggest that under those conditions the minister should have a conference with the President of the Privy Council and take advantage of the very generous offer I made to him to work out a settlement along the lines I outlined.

**Mr. Knowles (Winnipeg North Centre):** Mr. Chairman, I admit that I had hoped, when I called it six o'clock at about five minutes to six, that the minister would take the