

THE SENATE

Thursday, February 20, 1986

The Senate met at 2 p.m. the Honourable Rhéal Bélisle, the Acting Speaker, in the Chair.

Prayers.

BUDGET SPEECH

ACCOMMODATION FOR SENATORS IN SENATE GALLERY OF HOUSE OF COMMONS

The Hon. the Acting Speaker: Honourable senators are aware, of course, that the Minister of Finance will deliver his budget speech in the other place on Wednesday, February 26, 1986.

May I be permitted to remind honourable senators that none but senators will be admitted to the Senate Gallery of the House of Commons on that occasion. This step is being taken for the purpose of providing accommodation in the gallery for as many senators as possible, and so that senators will not be excluded from the gallery on account of many of the places being occupied by relatives and friends of senators.

May I add that such instructions were first issued in 1931 by the then Speaker of the Senate, the Honourable P. E. Blondin, and this practice has been followed ever since by succeeding Speakers.

VISITORS IN GALLERY

MEMBERS OF COMMITTEE ON ECONOMICS AND SCIENCE OF NATIONAL ASSEMBLY OF REPUBLIC OF KOREA

Hon. Orville H. Phillips: Honourable senators, may I draw to your attention the presence in the gallery of members of the Committee on Economics and Science of the National Assembly of the Republic of Korea. They are in Canada on a fact finding tour. The membership of the committee is: Mr. Han-Koo Oh, leader; and Mr. Jim Lee, Mr. Johng-Moon Park, Mr. Sang-Koo Chung and Mr. Young-Seng Kim, members.

I am particularly pleased, honourable senators, speaking as one who has spent a great deal of time in opposition, that the delegation contains two members of the official opposition.

Senator Hastings: Liberals?

Hon. Senators: Hear, hear.

[Translation]

NATIONAL DEFENCE

REPORT OF SPECIAL SENATE COMMITTEE TABLED

Hon. Paul C. Lafond: Honourable senators, I am pleased to table the third report of the Special Senate Committee on National Defence.

On motion of Senator Lafond, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[English]

EXCISE TAX ACT EXCISE ACT

BILL TO AMEND—REPORT OF COMMITTEE

Hon. William M. Kelly, Deputy Chairman of the Standing Senate Committee on National Finance, presented the following report:

Thursday, February 20, 1986

The Standing Senate Committee on National Finance has the honour to present its

THIRTEENTH REPORT

The Standing Senate Committee on National Finance, to which was referred Bill C-80, intituled "An Act to amend the Excise Tax Act and the Excise Act and to amend other Acts in consequence thereof", has, in obedience to its Order of Reference of Wednesday, February 19, 1986, examined the said Bill and now reports the same without amendment but with the following observations and recommendation.

The Committee commends the government for its effort to increase taxpayer rights by amending the collection and refund provisions of the Excise Tax Act. However, the Committee questions the proposed changes to this Act as found in clauses 34 and 37 of Bill C-80 which give the government power to audit and assess for a four-year period while entitling taxpayers to refunds for only the most recent two-year period. Under the current legislation, taxpayers are eligible for refunds for a four-year period in the case of routine transactions and for a one-year period in the case of judicial or ministerial interpretations. Because of the discriminatory nature of the one-year refund period, the government has proposed amendments which standardize and limit all refund requests to the immediate two-year period, but which leave the government with the power to assess for the immediate four-year period.

The Canadian Institute of Chartered Accountants notified the Minister of Finance, the Minister of National Revenue, and the Legislative Committee on Bill C-80 of this inequity. Since the government chose not to make such a change at this time, the Committee wishes to remind the government of the comment made by the Minister of State (Finance) on third reading of this Bill in