

Income Tax Act

Mr. Stanley Knowles (Winnipeg North Centre): That is what my friends need tonight—magic. I had intended to sit this one out, partly because I agree with the hon. member for Halifax-East Hants (Mr. McCleave) that in the closing hours of this debate the time should be spent on the substance of the bill rather than on procedure, and also because I always feel a bit uncomfortable taking issue with my friend, the hon. member for Edmonton West (Mr. Lambert). After all, as opposition members we have to make common cause most of the time.

Even so, I feel I must draw to the attention of Your Honour and the hon. member for Edmonton West that there is quite a difference between the references of the Statutory Instruments Act to regulations passed under an act that can be kept from coming into force until there has been an affirmative resolution of the House of Commons and the proposal that sections of an actual act shall not come into force until there has been an affirmative resolution of just one House.

Another reason I am uncomfortable on this point is that my attitude toward the Senate is well known. However, the fact is that under our constitution, statutes are not passed except by the action of both Houses, plus royal assent. If this amendment were passed and written into the act, we would be giving this House the power sometime next spring, by the action of this House alone, to delete from Bill C-259 certain sections that had been passed by both Houses.

Please give me credit for the fact that I am trying to make my remarks brief. That is the only point on which I shall speak. The hon. member for Edmonton West has failed to distinguish between regulations that can be made subject to an affirmative resolution of this House and sections of an act already passed by both Houses.

Mr. Gibson: Mr. Speaker, I tried to get the floor ahead of the hon. member for Winnipeg North Centre (Mr. Knowles). In many respects, I agree with the point he has made. He has hit on the very kernel of the weakness in the argument of the hon. member for Edmonton West (Mr. Lambert). The hon. member for Edmonton West, who did not sit on the statutory instruments committee, fails to realize the breadth and scope of that committee. It has very wide powers. Some of the recommendations made by that committee are wide enough to almost encompass all the weakness or flaws, or all the potential weaknesses or flaws that could be raised by the hon. member for Edmonton West, assuming that he was even in the ball park on the argument.

The Acting Speaker (Mr. Laniel): Order, please. I thank hon. members for their learned opinions on the amendment before the House. I am sure they understand that the Chair must decide upon a very difficult question. Although I still have strong reservations as to the point made by the hon. member for Edmonton West (Mr. Lambert), and I still maintain these reservations strongly, I cannot accept the amendment as it stands. I leave the choice to the hon. member for Halifax-East Hants (Mr. McCleave) to abide by the suggestion he made to delete part of the amendment, and because of the limited time for debate the House could proceed, or I will take the amendment under advisement, consider it and arrive at a

decision. At that point I might have to refuse the amendment in its totality.

Mr. McCleave: Mr. Speaker, if the House is agreeable, I will delete the words after "proclamation" so that debate on the substance of the amendment can proceed.

The Acting Speaker (Mr. Laniel): If there are no comments, the Chair will put the amendment to the House with the deletion made by the hon. member for Halifax-East Hants. It is moved by the hon. member for Halifax-East Hants:

That Bill C-259, an act to amend the Income Tax Act and to make certain provisions and alterations in the statute law related to or consequential upon the amendments to that act, be not now read a third time but be referred back to committee of the whole with an instruction that the committee have power to consider amending the bill by providing:

That clause 1 of the bill be amended by deleting lines 1 to 3 on page 1 and substituting therefor the following:

"1. Parts I to IIIA and Parts V to VII of the Income Tax Act are repealed and the following substituted therefor so as to apply, subject to the said act as hereby amended and to Part III of this act, to the 1972 and subsequent taxation years but the said act as hereby amended, excepting thereout those portions thereof containing an arrangement, revision and consolidation of the provisions of the said act as the said act is amended by the application *mutatis mutandis* of the provisions of sections 6 and 8, subsection 12 of section 20, and sections 62, 63, 109, 110 and 117 of the said act as hereby amended, shall not come into force and have effect as law until a day to be fixed by a proclamation."

• (8:50 p.m.)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the amendment just moved, once amended by its mover, does not make much sense. I shall therefore confine my comments to the general discussion on third reading of Bill C-259.

I listened this afternoon to the comments which the Prime Minister (Mr. Trudeau) made concerning this famous tax reform bill which will have been under consideration for 50 days tomorrow.

The Prime Minister started by saying that the need for tax reform was indicated in 1962 by a Progressive Conservative government. There was talk then of tax reform, of the need for a new tax structure in order to assist the less privileged sectors of Canadian society. Strangely enough, the very economists who were suggesting tax reform to the Progressive Conservative government are now making the same suggestions to the present government. The economists have not changed.

A white paper was published two years ago which was the subject of endless comments and caused many disappointments, even legitimate misgivings among various groups of citizens: workers, farmers, professionals, industrialists and businessmen. Everyone was concerned.

The white paper proposals came out in the form of Bill C-259 which is presently before us. This bill is roughly four times thicker than the white paper that came out two years ago.

Mr. Speaker, the Prime Minister said this afternoon—and he was right—that the Progressive Conservative party was advocating tax reform. This is true. And we