

Income Tax

I want to comment on some statements the Minister of Finance made in committee. The Minister of Finance should not criticize the opposition if the clause we are debating does not pass this evening or tomorrow.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): We have as much time as the government, and if we cannot carry on this debate in a sane and sensible way, we can wait for another day.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Douglas (Nanaimo-Cowichan-The Islands): We will not be intimidated by the howls and jeers of those who had to be dragged in by the neck in order to save themselves from ignominious defeat.

Mr. Andras: What did the hon. member say just now?

Mr. Douglas (Nanaimo-Cowichan-The Islands): I said "in order to save themselves from ignominious defeat."

Mr. Andras: That is what I thought he said.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Before five o'clock the minister answered some questions I asked yesterday. I shall comment on what he said and ask another question or two.

Some hon. Members: Oh, oh!

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I point out to the hon. member for St. Boniface that nature gave him a voice, but he need not use it on every occasion, especially when he is sitting down.

Some hon. Members: Oh, oh!

Mr. Guay (St. Boniface): Mr. Speaker, I rise on a question of privilege—

Some hon. Members: Question!

Mr. Nowlan: Let us bring the television cameras in and capture what is happening on television.

Some hon. Members: Question!

The Chairman: Order, please. I was under the impression that the hon. member for Nanaimo-Cowichan-The Islands had completed his remarks and that is why he sat down.

Mr. Douglas (Nanaimo-Cowichan-The Islands): No, Mr. Chairman. The hon. member for St. Boniface rose on a question of privilege and I yielded him the floor. I was merely pointing out to him that he seems to speak more effectively when sitting down than when standing up. I assume that this is because when he is sitting down he gets concussion of the brain.

Mr. Andras: Would the hon. member mind clarifying that remark.

Mr. Douglas (Nanaimo-Cowichan-The Islands): You keep out of this. The Minister of Finance answered some questions I had asked. I want to comment. First, the minister agreed that royalties paid to a corporation will be deductible, but at the same time royalties paid to a government will not be deductible. He said that the reason is that royalties paid to a corporation are paid as a result of a contractual agreement. He also agreed that royalties paid to a foreign government will be deductible, but that royalties paid to a Canadian government will not be deductible. The reason, according to the minister, is that foreign royalties are usually paid on a flat rate. They are not always paid that way, I point out. This legislation does not provide for royalties collected by a provincial government on a flat rate to be deductible.

I am glad the minister made one point clear concerning the Syncrude agreement. Actually, a number of points are now clear. It has taken weeks of prodding to get all the information regarding Syncrude which ministers have made available. First, we struggled to discover if the agreement was open ended, or if it was limited to a commitment of \$300 million. Now we know that it is open ended and that the government is committed to pay 15 per cent of the cost, not matter whether the cost is to be \$2 billion or, as the Price Waterhouse report suggests, possibly as much as \$2.9 billion.

Mr. Macdonald (Rosedale): That is false.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The minister had lots of opportunity to participate in the debate.

Mr. Macdonald (Rosedale): I have already answered that in the House. Do not try to obscure the matter.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I can understand the minister being excited. If I had been taken in by the sort of bunkum he swallowed in entering into the agreement, I would be excited too.

Mr. Macdonald (Rosedale): You know what you are saying is false. You know you are speaking a falsehood.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The minister knows perfectly well that the Price Waterhouse report estimates that the cost can go as high as \$2.9 billion.

Mr. Macdonald (Rosedale): That is not what we are paying for. That is not being paid for by this government.

Mr. Douglas (Nanaimo-Cowichan-The Islands): We don't know what this government is paying for.

Mr. Macdonald (Rosedale): We do.

Mr. Douglas (Nanaimo-Cowichan-The Islands): All the minister has to do is table the agreement, let us have the agreement, so that we can know exactly what the people of Canada are paying for.

Mr. Macdonald (Rosedale): You know that already.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The fact is the government entered into the agreement without knowing all it had committed itself to.