

I submit that the proposal made is in keeping with the balance of ways and means that has been declared on behalf of the crown and voted on partially by the house. I suggest in this context that notice to move a resolution of this kind, or indeed an amendment in committee, is not required in committee of ways and means.

**Mr. Speaker:** I thank hon. members for the views they have expressed regarding the very serious point of order raised by the hon. member for Lapointe (Mr. Grégoire). As has been stated by the Chairman, perhaps the point might have been raised before we went into committee, which would have obviated the difficulty to which the hon. member for Winnipeg South Centre (Mr. Churchill) referred. But the situation is in fact that a decision has been rendered by the Chairman of the committee, from which an appeal has been made.

In the past I have expressed my views about this type of situation. I must say I have heard nothing which leads me to come to a conclusion other than that which has been reached by the Chairman of Committees. The suggestion made by the Chairman when he made his ruling is that no notice at all is required. I agree with this. It is not a question of whether 48 hour notice is required or 24 hour notice is required. The suggestion he made is that in the case of ways and means resolutions no notice is required. In point of fact it is not 24 hours notice that we have had until now. Procedurally there has been no notice because nothing appears on the order paper except an appendix for the convenience and information of hon. members.

It has been stated that there are no precedents. There is at least the one in 1962 where precisely this form of procedure was followed, where there was no notice put on the order paper for a ways and means resolution. The house has followed in this particular instance exactly the same procedure. There is more to the situation than the citation in May which, in spite of what the hon. member for Lapointe says, is not all that old, since the last edition, the seventeenth edition, appeared in 1965 or 1966.

I suggest to hon. members that there is absolutely no application here of the 48 hour notice rule. An analogy can be found in committee of supply to indicate that procedurally standing order 41 does not always apply. The estimates are tabled one day and they are forthwith referred to the committee of supply. In a subsequent sitting they can be taken up

### *Income Tax Act*

in committee of supply without notice. The procedure we are following now is analogous; it is the same type of situation. This procedure has been followed before.

● (8:50 p.m.)

Since the ways and means resolutions are initiated in the committee itself and do not exist before that, no notice can be given of the resolutions. They do not exist until the Minister of Finance in committee of ways and means moves a motion and intimates to the house what the resolution will be. That being so, I fail to see how the standing order can apply, and I must therefore sustain the ruling.

And the house having resumed in committee.

**The Chairman:** Order, please. House again in committee of ways and means on a measure to amend the Income Tax Act.

**Mr. Sharp:** Mr. Chairman, yesterday in committee of supply I made a fairly lengthy statement outlining our economic condition. I said at that time that we intended to introduce fiscal measures to replace the revenues that would have been provided by Bill C-193. I explained at that time why the government considers it necessary to take this course of action. I do not intend to repeat those arguments and shall be brief in explaining this resolution.

The measures proposed in this resolution are intended to produce \$390 million in budgetary revenues in the 1968-69 fiscal year. This compares with \$425 million expected from the tax changes in Bill C-193. However, I have also announced that there will be reductions in expenditure which will more than offset the amount of \$35 million by which the revenues from these measures will fall short of those formerly proposed.

The resolution now before the committee has four paragraphs, two of which concern corporations, one of which affects individuals only and one of which will affect donations to provincial governments or provincially owned institutions, by either corporations or individuals.

Paragraph 1 proposes an amendment to remove the 10 per cent of income limitation in respect of charitable donations to a province. The Income Tax Act at present provides that individuals and corporations may deduct for income tax purposes the amounts they donate to Her Majesty in right of a province. However, donations such as donations to