

Income Tax Act

that upon a straight-forward reading of Standing Order 60(1) the Minister of Finance may introduce any and every tax change he may wish to bring in, whether it is to the Income Tax Act, whether it is to the Excise Tax Act, whether it is to the Customs Tariff or otherwise, and whether it is an increase or decrease.

Under Standing Order 60 (3), it is not obligatory for the Minister of Finance at any time to bring in a budget presentation. It is only in Standing Order 60 (3) that we get this reference to the budgetary presentation. Subject to political risk, there is no other provision in this House or in the statutes or regulations which binds the minister to bring in a budget. Yet resort now is being made to a Standing Order, or to a paragraph in the Standing Orders, which allows the minister to bring in any and every tax change he so desires. That is not what was in the contemplation of the committee and it is not what was contemplated by the House, I put to you, Sir. I will agree there is a political danger in not bringing in a budget and not having, shall we say, a financial report to the House and to the nation. Actually, I believe there was a mix-up in the sequence of the paragraphs in Standing Order 60. There was obviously discussion at the time and I confess I was a member of that committee. This point did not occur to me at that time, however, nor to the others but it certainly does now and I want to raise it so that we might reconsider it.

It was always thought by the committee and the House that our previous procedure was cumbersome in that we had a budgetary presentation, the Minister of Finance then tabled notices of motion with regard to the budgetary changes. There was then a resolution in committee of the whole with regard to each of the said motions. Then, we had a bill; there was second reading and then in the committee of the whole stage the bill was considered clause by clause. Finally, there was third reading. This was adjudged to be very cumbersome. Since the motions that were tabled by the Minister of Finance at the time of the budgetary presentation were discussed during the budget debate, these represented in part the subject matter of the budget debate. They receive full discussion. They were the budgetary proposals.

If one reads the wording of paragraph 60 (3), the House is asked to give general approval to the budgetary proposals. It was then determined that it would not be necessary to go through the preliminaries of the recommendation which was the usual prior practice. It was foreseen that the minister would merely lay on the table a Notice of Ways and Means Motion in accordance with what he proposed in the budget. But now, as I have said, there is no requirement for a budget and we have come to this procedure. It is wrong in spirit. But we are not on a budgetary proposal today. This means that the Minister of Finance is able to raise his taxes up or down without any budgetary accounting. There is no need for a budget aside from, as I said, the political risk. I repeat that this is quite wrong.

• (1540)

The third point I want to make relates to the carry over from one session of parliament to another of a tax measure that has been proposed in the former session. Let us consider what might happen if one interprets this rule in

[Mr. Lambert (Edmonton West).]

this way. Suppose this tax measure were not proceeded with at this time and that there should intervene an election—and God forbid the same administration would be elected, particularly this one—the first thing that the new parliament could be faced with, without notice, could be the notice of ways and means motion that had been presented by the previous administration, without any accounting whatsoever. I say this is wrong, Mr. Speaker. This is not a hypothetical case, it is a true and very regrettable fact that the framing of Standing Order 60 in its present terms failed to take into account this possibility. While I will agree that one does not require the intermediate steps for all other motions that may be presented following the presentation of a budget, it certainly is not within the contemplation of this House, and never was, that tax measures should be dropped straight out of the blue on to the order paper and presented that way without the recommendation of His Excellency.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, as I understand the hon. member for Edmonton West (Mr. Lambert), his point of order really does not go to the admissibility of the present bill but is an invitation to the House through you, Sir, and to the appropriate committee to re-examine Standing Order 60. I submit to Your Honour the hon. member has admitted that it is possible to bring in a bill affecting the ways and means of the House and of the country without going through the formality of a budget. It is clear that Standing Order 60 (1) applies to a notice of ways and means in general terms and that Standing Order 60 (3) refers to a special type of order affecting ways and means, namely an order designated for the purpose of enabling a minister of the Crown to make a budget presentation in other words, a general notice of motion is contemplated under ways and means and in addition a special type of such motion called a budgetary presentation. So, I think the hon. member has conceded that it is possible to bring in the tax bill affecting ways and means whether or not it is preceded by a budget, subject of course to what he has recognized as the necessary political considerations and the necessary accounting aspects via a minister of finance through the House to the people of the country.

This bill follows upon a statement made last October 14 by the then minister of finance during the course of an opposition day which set forth a declaration of a cut in corporate income tax of 7 per cent and a cut in personal income tax of 3 per cent, both of those cuts to apply from July 1, 1971 to December 31, 1972. The first part of those cuts was implemented by this parliament in the last session under Bill C-275 which received royal sanction on December 23. That bill authorized the cuts until the end of the 1971 calendar year. This bill extends those same cuts, already announced by the minister of finance last October 14, to the end of the year 1972. In other words, the minister of finance of the day announced the cuts. They had to be authorized by legislation, and that is the purpose of the bill before the House. The country has received adequate notice of these cuts, and I assume that the accounting procedures of the Department of National Revenue are being made in anticipation of it.

I will say no more except to say that a re-examination of Standing Order 60 may be something for the House to