During the time when Mr. Lamoureux was in the Chair, I rose on points of order to set things straight with regard to bills arising from the budget. Even you, Sir, on one occasion did not rule in my favour because the argument I put did not concern a basic matter but a detail. I think it was about the excise tax on gas engines for boats. That was when Mr. Turner was minister of finance.

But every time we had a major point, and the point that was raised by my colleague for York-Simcoe (Mr. Stevens) is definitely a major one. It strikes at the heart of Bill C-56. True, it is a bill to amend the Income Tax Act and there are several points in it, no question about that, but he has already touched directly on a point, namely paragraph 13 of the motion introduced by the hon. minister. I will not read it, it is well known, and it is simply that the Minister of Finance (Mr. Chrétien) was proposing that every taxpayer in the prescribed provinces be entitled to a $100 allowance on his tax payable to the federal government for the year 1978. This would be for every taxpayer at December 31, 1978. That is all. You would have the explanation that the provinces themselves could then move up their contribution brackets by $100 to compensate. Why? Because the Minister of Finance said he had a draft agreement with eight out of nine provinces on the reduction under the Excise Tax Act.

However, the excise tax being exclusively of provincial jurisdiction, he was using a formula to bring the provinces to act in such and such a way in their field of jurisdiction. That is not a federal jurisdiction, but entirely and exclusively a provincial jurisdiction. For some provinces, Mr. Speaker, it was quite simply a case of interference because they do not have the financial strength to push back the federal government. I am talking about the Atlantic provinces and even the other average provinces, Manitoba and Saskatchewan.

Those provinces are not strong enough financially to turn down the federal government, except perhaps four provinces which could in effect discuss and negotiate with the federal government. The province of Alberta was not involved because it does not have any excise tax. As far as the province of Quebec is concerned, however, it did not agree. At the present time, Quebec is not one of those provinces coming under the fiscal arrangements legislation in any way. There was no agreement with Quebec—perhaps a hope of agreement. Later, however, we know there was disagreement. What do they come up with? A refund! But where is the authority for a refund under that legislation arising from the motion?

On budget night the Minister of Finance never said a word about a refund. Where would we find the authority to refund, Mr. Speaker, because it is not simply a matter of a deduction on the income tax return for the fiscal year 1977? No, because these returns have already been filed. Under the law, they must be completed and sent to the Minister of National Revenue by April 30. So we are looking at this moment, and it is this moment that matters, not the night the budget was tabled, because the reaction of the Prime Minister (Mr. Trudeau) and of the Minister of Finance only goes back to this week. Only this week, with the introduction of Bill C-56, have we heard about this proposal whereby the federal government itself will reimburse to Quebec taxpayers, as of December 1977, a sum ranging from $85 to $1. Because we must realize that the amount to be deducted is not merely $85, but the difference between $85 and, according to the bill, clause 30(2)(b), line 33, page 34, and I quote:

the amount that would, but for this subsection, be the tax payable by him under this part for the year.

So a taxpayer who had only $40 to pay would be entitled to $40 in compensation. He does not get more than what he had to pay in income tax. Where does this formula come from, Mr. Speaker? Not in paragraph 13 of the ways and means motion. Not at all. No details there. Would the Minister of Finance dare at this time ask the House for the right to reimburse this amount for which he had not given notice? Although there was no mention of it in the budget speech, he can rise today and say: Well yes, this goes, anything goes. Mr. Speaker, I want to insist, as the previous speaker did, on the fact that each bill arising from a budget and the motions stemming from the presentation of a budget should comply in principle and in its major details with the motion. There is no question. That is the rule here. We have all the precedents. Mr. Speaker, I suggest you should rule on this matter in line with my proposal.

● (1552)

[*English*]

Hon. Allan J. MacEachen (Deputy Prime Minister and President of Privy Council): Mr. Speaker, I have a few brief comments to make on the point of order which has been argued by members of the official opposition. I might say that those arguments have been directed to the specifics of the legislation rather than to the procedure. It may be that the purpose of the intervention is to achieve by procedural tactics a further opportunity for members of the official opposition to understand the bill and finally decide what position they will take during the course of the debate. But that is an aside.

Mr. Knowles (Winnipeg North Centre): It would have been better if it had been left aside!

Mr. MacEachen: In the view of the hon. member for Winnipeg North Centre (Mr. Knowles), it would have been better if I had not said that members of the official opposition were stalling for time so that they could understand the bill. Obviously they do not understand it, based on the evidence of the questions which were put and answered during the question period today. It was obvious that the member for Oshawa-Whitby (Mr. Broadbent) did not understand the bill either; perhaps both parties over there want more time to determine exactly what they are against. Maybe if they did understand it they would change their views.

Nevertheless, with due respect to the hon. member for Winnipeg North Centre, the argument is that somehow the