

were no changes other than changes in definition. As I understand the representatives here, if the bill falls short of accomplishing its purpose, they will be back here to supplement the amendments in the bill this year. Is that correct?

Mr. GAVSIE: Yes.

Hon. Mr. HUGESSEN: May I ask this question? Has there been any change in this section since the bill was introduced in the House of Commons on November 10?

Mr. GAVSIE: No.

Hon. Mr. HUGESSEN: It is hardly fair to say that we only received the bill this morning at 11 o'clock.

Hon. Mr. HAYDEN: I have had it since then.

Hon. Mr. PATERSON: What change is made by section 30?

Dr. EATON: So far as I know it is the same as it was under the Income War Tax Act.

Just for your information, I know one chartered accountant who was concerned with the provisions of the bill. He raised some questions with the department, and they were able to establish to his satisfaction that this amendment would carry out the undertaking to restore it to its 1948 status. It took three or four exchanges of wires to do so, but it was done to his satisfaction.

Hon. Mr. HAYDEN: You mean the 1948 status?

Dr. EATON: Yes, I mean the 1948 status.

Hon. Mr. NICOL: I do not suppose the government is intending to give the powers of taxation back to the provinces.

Some Hon. SENATORS: Oh, oh.

The CHAIRMAN: This next subsection is very lengthy, but you have heard the explanation of the purpose for which it was inserted, and you have the assurance that if the remedy is not accomplished at this session by this amendment it will be remedied at a later session.

Hon. Mr. HAYDEN: Carried.

Hon. Mr. HUGESSEN: Carried.

The CHAIRMAN: Are there any further questions on it?

Hon. Mr. McLEAN: We are passing the section pretty fast. Dr. Eaton has just said that he has had the opportunity of consulting chartered accountants. I should like to consult a chartered accountant on the scope of this measure; we are not specialists on this subject.

Hon. Mr. LAMBERT: We will have to do it between now and the beginning of the next session.

Hon. Mr. McLEAN: Some sections are much more complicated than others.

Hon. Mr. PATERSON: Mr. Sinclair should bring in a bill to abolish taxation. There are 13,000,000 people in Canada trying to get out of paying taxes.

The CHAIRMAN: Not that many.

Hon. Mr. HAYDEN: I move that section 30 be carried.

Section 30 was agreed to.

On section 31—"Investment companies".

Dr. EATON: Section 31 deals with investment companies which, if they came within a certain definition, were exempted entirely from corporation taxes in the past. We introduced the provision for giving shareholders a tax credit in respect of dividends received from a tax-paying corporation. If the corporations were not tax-paying corporations, the shareholders accordingly would get no tax credit.