

*Income Tax*

**Mr. Stevens:** Mr. Chairman, the parliamentary secretary did not answer my basic question. Why did it take from May 6, 1974, to February 10, 1975, to discover that these amendments were needed?

**Mr. Cullen:** Mr. Chairman, I think it is appropriate to remind the hon. member that in May we had a ways and means motion and not the bill. The bill did not come forward until December, and then there had to be reaction to it from industry and private enterprise. Bearing in mind the size of the bill, I think many of the amendments and changes that were tabled on February 10 are not significant as far as policy is concerned; they are simply correcting amendments.

**Mr. Stevens:** Mr. Chairman, that is the answer I was looking for. There were mistakes that became apparent on December 20 when the bill was finally put into form, and they are now simply trying to catch those mistakes which the department or outside consultants or advisers indicated would cause problems. This being such a big section, possibly one of the most important sections in these amendments, I wonder if the parliamentary secretary could indicate to what extent it reflects the current definitions concerning expenditures that are commonly used in the United States for this type of activity.

**Mr. Cullen:** Mr. Chairman, rather than copying the Americans, we have endeavoured to use Canadian nomenclature.

**Mr. Stevens:** Is the parliamentary secretary denying, Mr. Chairman, that the wording he has used is almost identical to that used to describe mineral exploration expenses under the United States code, sections 616 and 617?

**Mr. Cullen:** Mr. Chairman, we look at the legislation adopted south of the border, we look at the current Canadian practice, we list the representations made to the department, and out of all that available information we endeavour to draft legislation appropriate for the Canadian tax program.

**Mr. Stevens:** Mr. Chairman, the parliamentary secretary is almost as evasive as his minister. My simple question was, is it not true that the wording being used concerning exploration expenses is almost identical to that in the United States code, sections 616 and 617?

**Mr. Cullen:** I have answered that question once, Mr. Chairman. I am sure the hon. member has the definition beside him. We try to adapt, adopt and improve: this might be a good way to answer the hon. member's question.

**Mr. Bawden:** Mr. Chairman, I was very interested in the parliamentary secretary's remarks on this question. It is rather interesting that the Postmaster General is now here, helping the parliamentary secretary to read many of these complex amendments. I would suggest to him that if something were mailed from Ottawa on February 10 to western Canada, there would not be time to consider it and mail it back in time for it to be discussed in the House eight days later. Maybe we should have some comment on that. Eight days is not enough time for return mail, much less for deliberation.

[Mr. Cullen.]

**Mr. Mackasey:** Mr. Chairman, the reason the parliamentary secretary is answering the questions rather than the Postmaster General is that he is much more knowledgeable in this particular field than I will ever be. He is one of the better members of the House.

**Some hon. Members:** Hear, hear!

**Mr. Mackasey:** We are not talking about postal legislation now; but I have brought in labour legislation and accepted amendments right up to the final moment, from the Canadian Labour Congress. As long as an amendment improved a bill and was in line with the philosophy of the bill, I accepted it. Representatives of the petroleum industry were present when the bill was tabled and had a copy of it 2½ minutes after, when it was made available to the public. I imagine that members of the petroleum industry have had, since February 10, ample opportunity to meet the Minister of Finance and other ministers, including the Postmaster General. These various ministers may or may not, depending on one's viewpoint, have contributed positively to the final version of the bill. Without being hypocritical, let me say that I do not think anyone in this country has not been given the opportunity to make his views known. The fundamental point is that after hearing what these people had to say, we brought forward a bill reflecting as nearly as possible their constructive viewpoints. That was the whole intent of the exercise.

● (1610)

Let me refer to what has been happening today. We have been correcting translations. Nobody can render a translation from English to French so perfectly that it does not need revising or clarifying. Some printing errors have been discovered, even though the bill has been proof-read umpteen times. But that is not unusual, as anyone who knows the printing industry will testify. Between February 10 and the present the bill has been improved and modified on the basis of recommendations of the Department of Justice and possibly of legal officers of the Department of Finance as well as others. Possibly some last minute amendments have further improved the bill.

If the hon. gentleman is objecting to this procedure, he is objecting to a parliamentary process which has existed for 50 years and will continue for another 50 years. He should not be under the impression that any vested interests forced the government to water down the bill, because the government is above that.

**Mr. Cullen:** Mr. Chairman, speaking to the matter of amendments, as I am not a member of the treasury benches I do not have authority to move amendments to this income tax bill.

[Translation]

**Mr. Leblanc (Laurier):** Mr. Chairman, it appears we have difficulty in this part of the House in drawing your attention, or the Speaker's for that matter, when he is in the Chair, as indeed happened during the question period.

The member for Central Nova (Mr. MacKay) pointed out that when the parliamentary secretary gives explanations on amendments, he speaks too fast. A clear indication is that the people doing the interpretation—which they do with a high degree of expertise—of the parliamen-