

Income Tax Act

In the whole of Canada for the year 1962, the apparent losses amounted to \$37,102,192 as regards non-summary proceedings in the case of 1,126 closed bankruptcies out of a reported number of 1,946. As to the bankruptcies of the summary proceedings variety, 1,646 were closed out of 2,351, with apparent losses of \$13,764,469.

In themselves, these very dry and impersonal statistics prove however that nearly half of those bankruptcies and losses happen in the province of Quebec.

The situation has become unbearable for the industrialists, big and small, as well as for the financial backers and the big financiers who control the life and development of those industries. That is why it is urgent to do something, to bring forward legislation which will at least guarantee a minimum of security, especially to owners of small industries.

Therefore, I move, seconded by the hon. member for Chapleau:

That the house recommend to the Minister of Finance that he take into serious consideration the need to grant all taxpayers a 10 per cent exemption for all charitable donations on the first \$1,000 of income and a 7½ per cent exemption on each additional amount of \$1,000 of income, without having to submit charitable donation receipts.

[Text]

Mr. Douglas: Surely, Mr. Chairman, you are going to give some ruling upon whether it is possible to move an amendment such as this to clause 1 of the bill. On its face it is transparently out of order.

The Chairman: This is possibly the type of amendment which might be moved on another occasion. I respectfully submit it cannot be moved at this time. I should like to cite standing order 59(2) which reads as follows:

Speeches in committee of the whole house must be strictly relevant to the item or clause under consideration.

Certainly the proposal now made by this amendment goes away beyond the terms of clause 1, which is before the committee. I suggest, too, that this is a substantive motion covering a new proposal, and for these reasons I submit that the proposed amendment is out of order.

[Translation]

Mr. Gregoire: Mr. Chairman, could I say a few words about your ruling?

The Chairman: Naturally I should have liked it better if the comments had been made before I gave my ruling. I was hoping that hon. members would get on their feet to express their point of view or make comments on the admissibility of the amendment. However, I should not want to restrict in any way the discussion on the amendment and if

the hon. member for Lapointe has some remarks to make, even at this stage, I would not interrupt him. I must point out though that it might have been better if he had spoken before the Chair made its ruling. However, as I say, I have no objection to the hon. member for Lapointe making comments at this time.

[Text]

Mr. Pickersgill: I hope, sir, you will allow the hon. member for Lapointe to say a word on this matter.

[Translation]

Mr. Gregoire: Mr. Chairman, the hon. member for Compton-Frontenac was supposed to speak on second reading, and, at the request of the Secretary of State, we interrupted our speeches at that stage to resume them when discussing clause 1 of Bill C-95. Inevitably, there would have been more latitude to present such a motion on second reading. After all, this motion is only a request to the Minister of Finance to take the question into consideration now.

The Secretary of State said that during debate on the first clause of the bill—which is presently before us—he would grant the hon. member for Compton-Frontenac all the required latitude, and that is why the amendment is presented today.

Now, Mr. Chairman, I am of the opinion that this may come within section 59(2), since we are precisely studying amendments to the Income Tax Act. Now, the amendment moved by the hon. member for Compton-Frontenac suggests a change to be made in the Income Tax Act. Consequently, the proposed amendment refers purely and simply to what we are now discussing, and that is why we maintain that the amendment is in order.

Mr. Gordon: I should like to say very briefly that a number of hon. members have already spoken about this question of charitable donations. I have had a word with the Minister of National Revenue about it, and I have raised this question and all the other proposals and suggestions that have been made during the course of this debate with the officials of my department. I have asked them to keep a record of these, and they will be carefully considered before the next budget is presented.

Mr. Gregoire: I have only one question for the Minister of Finance. Are we to understand, then, that the minister is ready to consider the necessity for amending this portion of the Income Tax Act?

Mr. Gordon: I was not indicating that I thought a formal amendment at this moment was in order. I am sure it is not. I do say