

### *Double Taxation*

More and more now Canadians are going abroad and involving themselves in entrepreneurial initiatives and doing business in other countries. Of course, until these tax treaties are arranged, it means that people are often taxed twice, once in the country in which they are doing business, and again in the country of their citizenship. In a sense, Bill S-6 ensures that income earned will only be taxed once. I suppose that as far as the Government is concerned that is not a major item, but it is a signal that the Government now sends out to Canadian investors and business people that doing business in India, the USSR, and Guyana will now be made easier. The matter of taxation of one's personal affairs will not be jeopardized by being involved in business or work of one kind or another in these three countries.

● (1220)

Having had the opportunity in the last number of months to travel to both India and the Soviet Union on Government matters, it seems to me that this is a very timely and important Bill. The opportunities for enhanced trade, to do business, and to make deals in the U.S.S.R. and India particularly, are quite limitless. The country of India is booming industrially. It needs a great deal. It can use much of the technology that has been developed to a high level in Canada, whether in telecommunications, transportation, or the construction of hydro electric works. There is an opportunity, not only for Canadians to involve themselves in doing business in these countries, but also for Canada to play a role, particularly in countries like Guyana and India, in terms of assisting their development toward self-reliance and self-determination in economic terms.

I am very impressed with the advances that the poor country of India has made in terms of developing its industrial and communication infrastructure. I was quite amazed that one can actually send a letter from Bombay to Calcutta in one day. This is a country of nearly 800 million people and 800,000 villages. Yet, its mail system is very sophisticated relative to ours. The development of transportation and hydro electric systems is escalating, to a large extent, because of Canadian technology and assistance from both the private and the public sectors.

In the Soviet Union there are many areas in which Canadian entrepreneurs, investors, developers, and exporters and importers could do business. The technology that has been developed primarily in western Canada is directly transferable to the development of a great deal of their petro-chemical industry. Canadians often have a mind-set which prohibits them from doing business in the Soviet Union. I think it would be fair to say that Canadians also have a problem doing business in countries such as India with such a different cultural milieu. It requires a sophisticated and knowledgeable approach. I am pleased to see that many Canadian firms are developing that ability.

Bill S-6 will go a long way toward removing the discrimination which presently exists and accomplishing a system of economic justice for Canadians who choose, for one reason or another, to accept employment in another country. This dis-

crimination is not intentional, Mr. Speaker, but rather the product of lack of co-ordination between the tax systems of various countries or a failure of those systems to accommodate adequately the special circumstances of particular income earners. Under these agreements all income earners, whether employed in Canada or in one of the countries named in the Bill, will now be placed on a much more equal footing. It is our intention, as New Democrats, to facilitate the passage of this Bill to allow Canadians to get on with doing business in these three countries.

**Mr. Deputy Speaker:** Is the House ready for the question?

**Some Hon. Members:** Question.

**Mr. Deputy Speaker:** Mr. Wilson (Etobicoke Centre), seconded by Mr. Scott (Hamilton-Wentworth), moves that Bill S-6, an Act to implement an agreement between Canada and the Union of Soviet Socialist Republics, a convention between Canada and the Cooperative Republic of Guyana and an agreement between Canada and India for the avoidance of double taxation with respect to income tax, be read the second time and referred to a legislative committee. Is it the pleasure of the House to adopt the motion?

**Some Hon. Members:** Agreed.

Motion agreed to, Bill read the second time and referred to a legislative committee.

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### CUSTOMS ACT

#### MEASURE TO AMEND—CONCURRENCE IN SENATE AMENDMENTS

**Hon. Elmer M. MacKay (Minister of National Revenue)** moved the second reading of, and concurrence in, amendments made by the Senate to Bill C-59, an Act respecting Customs.

**Mr. Towers:** Mr. Speaker, I believe there is an understanding that this Bill will go to Committee of the Whole. Is that not right?

[*Translation*]

**Mr. Deputy Speaker:** The Hon. Member for Ottawa-Vanier on a point of order.

**Mr. Gauthier:** Mr. Speaker, I rise on a point of order. It does not often happen that the House deals with amendments coming from the Senate and this is in my case a first experience. Consequently, I would need some explanations. I take it for granted that the five Senate amendments will be considered as a whole, meaning that we will be speaking on five amendments and afterwards if we deem it advisable we will pass or reject them and advise the Senate accordingly. Is it the procedure to be followed?