

Excise Tax Act and Old Age Security Act supplement. I ask the hon. member if it would not be the fair and honest thing to do to pay the money into an old age supplement account?

Mr. Olson: I am not prepared to argue about what is fair or honest or what the hon. member for Grey-Bruce or any other member thinks should be done.

Mr. Winkler: One has to be honest once in a while.

• (4:00 p.m.)

Mr. Olson: All we have before us is Bill C-268 and an attempt to move an amendment which would refer the bill back to committee for the inclusion of a provision that all these moneys be paid directly into the old age security fund. To answer the hon. member's question, as far as I know there is no provision made in the bill for a supplementary old age pension fund. Whether he thinks it would be a good idea to have one or whether I do is irrelevant to the point of order before the house at the moment.

Mr. Deputy Speaker: I thank hon. members for the contributions they have made in helping the Chair to decide whether or not the amendment moved by the hon. member for Grey-Bruce is in order.

First I should point out that the amendment deals with the disposition or the rerouting of moneys. As such, it is a financial proposal which would have to be contained in the resolution preceding a money bill. Further, I should like to read to the house citation 418 of Beauchesne's fourth edition which reads as follows:

The question for the third reading is put immediately after the report from the committee of the whole. All amendments which may be moved on the second reading of a bill may be moved on the third reading with the restriction that they cannot deal with any matter which is not contained in the bill.

In the opinion of the Chair the amendment proposed by the hon. member for Grey-Bruce introduces a new principle. It deals with something which is not contained in the bill and therefore it is not admissible as an amendment on third reading. I regret I shall have to rule the amendment out of order.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I agree with the hon. member for Grey-Bruce (Mr. Winkler) as well as with other members of the house that if there is to be an increase in the sales tax the proceeds from that increase ought to go into

[Mr. Winkler.]

the old age security fund. However, it appears that a vote on that issue will not be possible. This leaves us again on the main motion for the third reading of Bill C-268.

I wish to state categorically on behalf of this party that we are still opposed to any increase at all in the sales tax. I intend to propose an amendment to the motion for third reading which, if passed, would give the committee of the whole an opportunity to reconsider clause 1 of the bill. Clause 1 of Bill C-268 is the clause in this legislation which raises the sales tax by 1 per cent. What it does, of course, is to raise the general sales tax from 8 per cent to 9 per cent, and with the addition of the 3 per cent old age security tax this gives us the 12 per cent federal sales tax which is now in effect.

Our point is simple, direct and clear. We think this 1 per cent should not be added to the sales tax. My amendment, the only one which can be moved at this stage to give the house a chance to consider this matter, will be to this effect.

Let me indicate two or three reasons for believing that the sales tax should not be increased at this time. First, if I may do so without provoking some wry humour of the part of the Minister of Finance (Mr. Sharp) I should like to mention the Carter report. It seems that when one of us on this side of the house mentions the Carter report the hon. gentleman is amazed that we have somehow understood at least parts of it during the short time in which it has been available. I confess that I too have not read it all yet, and no doubt when we read it in all its detail we will find things in it with which we do not agree. But it is fairly clear that the Carter commission is against a federal sales tax at the level which now prevails. It is also clear that the commission is against a federal sales tax applied at the manufacturers' level which facilitates the escalation of that tax so that it becomes a much higher percentage by the time it reaches the consumer.

Even though it may take time to deal with all the recommendations in the Carter report, even though there is a case for those recommendations being considered as a package, I think it is an insult to this house to ask us to fly in the face of the opposition expressed by the commission to this kind of sales tax by inviting us to vote for a bill which increases the federal sales tax at the manufacturers' level to 12 per cent.