

days of Walter Gordon, and that it was received then with some dissent in the House.

**An hon. Member:** Some dissent, indeed.

**Mr. Crouse:** It met with dissent, not because of the principle involved, but because of the manner in which the minister proceeded to carry out that policy. He carried it out in secrecy. There was a behind-closed-doors cloak and dagger quality about it which gave rise to the dissent to which I have referred. Had the minister clearly made known to the House his intention to hire a group of experts from outside, I believe hon. members would have approved the action. Such a course would give whoever adopted it an insight into thinking at the grass roots level, which is what the government claimed to have in mind when it sought a mandate in 1968, though, of course, nothing was ever done about it. Had the Minister of Finance followed such a course on this occasion, it is not likely he would have brought in a tax bill which is not acceptable to individuals, not acceptable to the business community and whose results can only be harmful to the future progressive development of this country.

I will not be facetious and say I have read the bill; I doubt whether there are many members in this chamber who have read this voluminous list of proposals put forward by the Minister of Finance. As I scan the bill I am concerned that in the formulation of tax policies primary emphasis has been placed on raising income, while little or no emphasis has been placed on the almost numbing effects of taxation of Canadian enterprise, business and initiative.

● (3:00 p.m.)

I submit that the need is for tax policies that will not discourage development or economic growth. I cannot help but wonder, as a concerned Canadian, just how many dollars worth of business expansion has been lost to this country since the Minister of Finance brought in his white paper on taxation. The confusion and frustration began at that point and without any clearcut objective or knowledge of where we were going, the business community, the investor and entrepreneur, sat still.

Where I come from in Atlantic Canada we know that a ship that embarks on a voyage must first be prepared. We know that the captain must take his chart and his compass and sit down and study the course on which he will sail or steam. Obviously, as a rule of thumb this is the practical way to do anything. I have not yet seen the Minister of Finance do this, and I commend it to him as a good course to follow. People like to know where they are going. Then, when the captain plans the voyage he does not tell the crew to show up on the Monday, Tuesday or perhaps Wednesday; he tells them which day he will sail and there is a definite time within which they can prepare for the voyage. This is all I am asking the Minister of Finance to do. He should stop waffling around, making amendments to amendments to amendments to a 707-page bill, because this can only produce confusion compounded for the Canadian people.

**The Assistant Deputy Chairman:** Order. I regret to interrupt the hon. member, but his time has expired.

#### *Income Tax Act*

**Mr. Knowles (Winnipeg North Centre):** Mr. Chairman, I intervene this afternoon for a few minutes because I should like to comment on some of the remarks made by my close neighbour, the hon. member for Edmonton West. In his speeches today he covered a good many subjects but he seemed to be in fullest flight when he was talking of expense account living.

**Mr. Lambert (Edmonton West):** The logicity of it.

**Mr. Knowles (Winnipeg North Centre):** I agree with him that equity is called for. If we are going to be critical of expense account living, we must apply that criticism across the board. Persons should not get a hidden addition to their standard of living in that way, whether they be employed by private industry, the public service, trade unions, professional associations or other non-profit organizations. So perhaps I can start by saying that we agree that concern in this area should be expressed across the board.

However, it seems to me that what we have before us in this tax bill is the question of expense account living in so far as the taxpayers are called upon to pay 50 per cent of it. The hon. member talked about the expenses of trade union officials, public servants of various governments and representatives of various professional associations. When those people go to conventions or incur expenses that they charge back to their employer, organization or association, it is the association that checks those expenses and is responsible for seeing that its treasury is not being exploited.

Let me tell the hon. member that trade union officials do not get away with unnecessary expense account living; their expenses are checked and examined by union delegates. I can also tell him, having had the experience on three occasions of being a delegate to the International Labour Organization at Geneva, the expenses being paid by the federal government of Canada, that when one goes on a trip like that and submits an expense account to the government, that account is checked very carefully.

I remember once having an account corrected because, owing to weather conditions, we were not able to leave Geneva as planned early in the morning but had to stay until mid-morning or later, with the result that I had an extra breakfast in Geneva that had not been originally planned. So I charged for this breakfast on my account. My colleagues around the House know that I am not a lavish eater.

**Some hon. Members:** Oh, oh!

**Mr. Knowles (Winnipeg North Centre):** Yet my expense account was corrected and the amount of that one breakfast deducted because it was not provided for under the arrangements that had been made. I did not object to paying for that one breakfast; the few Swiss francs it cost did not amount to much. However, the point I am making is that when employees of the public service are on expense accounts, those accounts are checked very carefully by the treasury, and later by the Auditor General. And that is as it should be. I suggest the same practice is adopted by other associations. I can only assume it is adopted by the Canadian Bar Association, the Canadian Medical Association, and so on. Nevertheless, the people