

other method, but certainly it was sound to provide separate bills. These are the only two exceptions.

It was open to me in this particular case to select a number of options. It occurred to me that this would be the most appropriate option because the request for borrowing authority flowed from the budget statement. The income tax changes flowed from the budget and the economic statement of April, and the former budget. They were all part of the same general framework.

The only objection that was ever taken and upon which the ruling of the Speaker was based in 1975, was that no opportunity was given for debate in the House on the request for borrowing authority.

In the case at hand there will be full opportunity to debate on second reading the request for borrowing authority and to provide the House with an opportunity to relate that borrowing request with the over-all economic strategy of the government and with the income tax changes. It will be possible for the House to debate fully in Committee of the Whole the request for borrowing authority and all other matters, and it will be possible for the House to debate it at third reading. Certainly no parliamentary protocol or no parliamentary principle has been violated. In fact we are providing full opportunity for debate for all these matters in Committee of the Whole and on second and third reading, with the Speaker in the chair. We are solidly anchored on the precedent of 1977 when the borrowing authority was attached to an income tax bill and when no exception at all was taken.

In conclusion, Madam Speaker, I suggest that to cite the ruling of Mr. Speaker in 1975 is irrelevant in this particular case because the objection taken was that there was no opportunity to debate in the whole House. In this case we are providing opportunity to debate on second reading, third reading, and in Committee of the Whole. A ruling in that particular instance does not seem to be relevant to this case. The House is being given the opportunity to debate fully, in an integrated way, the over-all budget package through this method.

**Mr. Knowles:** Madam Speaker, obviously this is a technical point but I agree with my friends in the Conservative party that it is an important one.

May I say at the outset that my colleague, the hon. member for Broadview-Greenwood (Mr. Rae) has argued quite often that the whole question of the borrowing authority should be considered as an integral part of the debate on budgetary and financial policy. In that sense, at least in principle, he agrees, and I agree, with the contention of the Minister of Finance (Mr. MacEachen) that the whole budget debate should take place more or less at the same time.

Even so, we do recognize in this place that we should follow the rules that we set down. Indeed, the rule about a bill based on a ways and means resolution is that that bill should be based on that resolution and should deal only with the matters in that resolution.

### *Income Tax Act*

I point out, in an effort to harmonize these two positions, that when the Minister of Finance makes a budget presentation, and a vote in support of the general principles of the government's financial policy has been taken, that comes to us not just in one bill but comes already in two or three bills, a bill to amend the Income Tax Act, the Excise Tax Act, the Customs Tariff Act, and maybe others.

● (1230)

It would seem to me that all that would flow from this point of order, if Your Honour agrees with the point that has been raised, would be that the borrowing authority ought to be in a separate bill. In other words, as the result of a budget presentation by the Minister of Finance that dealt with all of these matters, we would have not just three bills, but four bills.

I make this other point, namely, that one of the rules around here is that nothing can be done without notice. That is why we have motions under Standing Order 43 every day to try, by unanimous consent, to put propositions before the House for which there is no opportunity to give notice. But there has to be notice of any government bill.

In this case we had no prior notice that there would be a bill including the borrowing authority. The indication was that there would be a bill based on the income tax resolution adopted as a ways and means proposition. It was only when Your Honour read out the title of the bill that we got the words "an act to amend the statute law relating to income tax and to provide other authority for the raising of funds". I suppose in the title was the indication as to what was to be in the bill, but there had been no notice of that, not even an attempt to do it under Standing Order 43. It seems to me that if the government proposes to bring before Parliament, out of the budget presentation, changes in the Income Tax Act, changes in the Excise Tax Act, changes in the Customs Tariff Act, and something regarding a borrowing authority, there should be a proper procedural basis for all four of those elements.

The accepted procedural basis for the first three, the Income Tax Act, the Excise Tax Act and the Customs Tariff Act, is a ways and means resolution. At the same time the government could have put on the order paper a notice of motion of a bill to provide for the borrowing authority. I think it is in those terms that the House might think and Your Honour might consider the whole matter.

As must be obvious, I fully agree with the contention of my colleague, the hon. member for Broadview-Greenwood, that these things should be considered together, but surely we must follow the rules at the same time. I noted that when the hon. member for Calgary Centre (Mr. Andre) raised the point, he treated it as a serious procedural point, not as an attempt to delay the business of the House. I would imagine that if Your Honour feels that you must reserve on the ruling, that we would agree we might still go ahead with the debate on second reading of the bill, subject to Your Honour's decision on this important point, simply as to whether the borrowing authority should be in one of the three ways and means bills or whether it should be a bill by itself, but introduced at the same time.