

Residents of Canada who cash certain bond interest coupons will be required to provide a correct social insurance number or pay a 25 per cent withholding tax on their interest payment under an amendment to the Income Tax Act.

This new procedure has become necessary because some taxpayers have not been reporting the full amount of bond interest payments.

In addition, a wide advertising campaign was conducted in the same year by the Department of National Revenue which included an advertisement in all major newspapers in the country which was entitled "Notice to Bond Holders." It repeated much of the information contained in the other two communiqués. Teller cards were also placed in financial institutions across the country at the same time.

Just to summarize the background to this matter, Mr. Speaker, it arises from an administrative problem faced by Revenue Canada. Of course, it is important to ensure that investors correctly report their investment income. That point was brought out in a private member's bill just last week by the hon. member for Edmonton West (Mr. Lambert) who acknowledged that this is part of the law and that he was not really questioning it. Some of the points made in the course of the debate that followed are worth mentioning, however. If a question of privilege is found on this issue, I would suggest that reference be made to that debate.

It should be made clear that no penalty or tax reduction whatsoever is involved. It is simply a mechanism for withholding tax. This is something which Canadians are used to in terms of salary payments or commissions or other forms of payments. Indeed, the withholding system has been with us for a long time.

I think it is important to know that there is no compulsion whatsoever for any bond holder to indicate his social insurance number if he does not wish to. If the number is not indicated, however, there will be a withholding tax which will be returned when an income tax return is filed. If no tax is otherwise payable, it will come back as a refund; but if tax is otherwise payable, it will be deducted.

There is another misconception which was put before the House on two or three occasions, although I am not sure if the right hon. gentleman specifically referred to it. I think it is important to mention that we are dealing only with interest, not with face value of the bonds. The procedure is intended purely and simply to assist in ensuring proper compliance with the income tax laws so that there will be no misrepresentation of income.

With these remarks, Mr. Speaker, I hope we can put this matter to rest. The facts are now clearly before the House should we ever get into further debate on the point.

**Mr. Speaker:** Order, please. We can certainly put the procedural aspect of the matter to rest. I do not know if the matter itself will be put to rest but it is not anywhere near a matter of procedure or privilege. It may be a matter of substantial interest to members of the House, but it is not necessarily a matter with which the Chair should occupy itself. It is not a question of privilege.

### Order Paper Questions

#### SAFE CONTAINERS CONVENTION ACT

##### MEASURE TO IMPLEMENT INTERNATIONAL CONVENTION

**Hon. Robert K. Andras (President of the Treasury Board (for Mr. Lang))** moved for leave to introduce Bill S-3 (from the Senate), to implement the International Convention for Safe Containers.

Motion agreed to and bill read the first time.

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#### QUESTION ON THE ORDER PAPER

**Mr. Yvon Pinard (Parliamentary Secretary to President of Privy Council):** Mr. Speaker, question No. 43 will be answered today in both official languages, as in the courts of Quebec.

I ask that the remaining questions be allowed to stand.

[Text]

##### PROFESSIONAL SERVICES—LABOUR

Question No. 43—**Mr. Orlikow:**

1. For the fiscal year 1976-77, what contracts for professional services were let for studies, surveys and analyses into (a) present or future policies, programmes or information analysis and their efficiency and effectiveness (b) the examination of the administration or internal operation of the Department of Labour?

2. How much was committed on each contract and to whom?

**Hon. André Ouellet (Acting Minister of Labour):** 1. (a) Bossen, Marianne & Associates—study to determine the existence and availability of statistical and other information of the characteristics of the non-unionized Canadian workforce—\$3,022. Campbell, Ian—provide advisory, consultative and coordinating services—\$5,187. Cotterill, Murray—study of special mechanisms and processes for grievance arbitration now operating in Canada and to evaluate their usefulness within the federal sector bargaining relationships—\$3,065. Craig, Alton—study of literature pertaining to labour-management negotiations and problem-solving in North America—\$6,000. Crow, Ben & Associates of Canada Ltd.—study to examine opinions concerning the right to strike, effect of collective bargaining on inflation, role of unions, business and governments in the area of industrial relations—\$17,000. Finkelman, Jacob—provide advice to the Department of Labour on special labour legislation in Canada related to the construction industry—\$850. Funnell, Dudley—advisory services related to pension and retirement issues—\$604. Markle, Gower—consulting with Department of Labour and management officials on the subject of labour education—\$1,136. MacDonald, Ian—feasibility study involving the evaluation and production of audio visual instructional materials dealing with occupational health problems—\$5,400. Martin, W. A.—study of material for the preparation of legislation that will be necessary to implement the federal Department of Labour's new policy on joint safety and health committees in industry—\$2,500. McCaffrey, Gordon—evaluate the present and possible channels and substance of communication between unions, manage-