

Income Tax Act

we suddenly find this change. It is a major change and in some cases will be a very serious change, as proposed.

I suggest to the minister that it is not fair to the committee, or to anybody else for that matter, to do this in the present off-hand way, without warning. I am going to suggest to the minister that it is not impossible to do these things. I am going to ask him whether he has, in fact, called in the sort of people with whom he often does discuss matters when he is preparing his budget. I am wondering whether this particular matter might not be left for a time, and whether the section might not stand. After all, we will be here for some weeks, and I suggest strongly to the minister that we should not have what can be described only as a major change done in this way, without any notice to us or to the public, and without having further time to consider it or, if necessary, to call in other parties interested in it. I do hope the minister will accept that suggestion.

Mr. Abbott: I have spent probably more time in the consideration of this section, since the budget was brought down, than any other, because it is an extremely complicated one. I regret that I cannot change the decision I have announced. It was arrived at after most exhaustive consideration by myself, by officials of my department and officials of the Department of National Revenue, after examination of the operating results of a great many companies, and even after obtaining such information as we could as to the probable operating results of companies which we felt were more particularly affected during the coming year.

I can only say that if we sat here for another two months I would not be prepared to proceed with this proposal. I regret it has not been possible to implement it. I said that in my opening statement.

I have to take the primary responsibility for these things. I have recommended this decision to my colleagues. I have made the announcement only after careful consideration, and with considerable reluctance.

Mr. Fleming: I urge that hon. members should be afforded an opportunity to give to this particular question, on their part, the same degree of careful consideration the minister has given to it, on his part. Before launching into a discussion of the amendment I would ask him if he would be prepared to let it stand. It is now 5.20, and I understand we are to rise, on this bill, at 5.45. It is not probable that we shall finish the discussion on the bill tonight. Therefore we are not asking a great deal when we suggest that this section and the amendment should

[Mr. Macdonnell (Greenwood).]

stand until the next occasion we have the bill before us, so that we shall have an opportunity fully to consider it.

Mr. Abbott: I have not the slightest objection to allowing it to stand. But I wish to make it clear that the decision I have arrived at has not been arrived at hastily. That was arrived at in the light of information which I do not believe would be available, for obvious reasons, to most hon. members of the house.

Mr. Macdonnell (Greenwood): I just wish to make this other point. Does not the minister think it fair that outside parties, the usual outside parties, should have an opportunity to discuss a matter of this kind?

Mr. Abbott: Whom does my hon. friend mean by "usual"?

Mr. Macdonnell (Greenwood): If my memory serves me correctly, when the minister was making a major change in the Income Tax Act we were told that it would have to wait a session so that the minister could distribute it to various organizations throughout the country in order to get their views. I am not suggesting that there were any boys in the back room or any sinister communications of any kind. I am suggesting to the minister that in attempting to reach this conclusion he should give an opportunity to those who are competent to discuss these matters to make suggestions. Does not the minister think that that would be fair? This section should not only be allowed to stand, but an opportunity should be given, if it has not been given already, to those parties who are particularly expert in these matters to make submissions to the minister.

Mr. Abbott: A good many of those who are particularly interested in this question have made representations. I have had numerous conferences with them and it was following those conferences that this decision was arrived at. I have no objection to allowing the section to stand.

Mr. Fraser: Can the minister say how much extra revenue he expects to receive?

Mr. Abbott: That was indicated in my budget speech. I do not remember the exact figure, but it will be quite substantial.

Mr. Adamson: Can the minister indicate if any companies have stated how large a percentage of their capital this surtax would amount to in the coming year?

Mr. Abbott: I think some of them estimated the additional tax they would pay if their income reached a certain figure and they were