

dealing with an agreement which has already taken place.

Hon. Mr. Fournier (Madawaska-Restigouche): This has been the situation for years.

The Hon. the Speaker: Honourable senators, in an effort to please everybody, I will put the question again. Honourable Senator Lamontagne has moved that with unanimous consent we suspend Rule 119, so that this bill may be referred to committee for consideration tomorrow morning. I am asking now if there is unanimous consent?

Some Hon. Senators: Agreed.

Hon. Mr. Hollett: No.

The Hon. the Speaker: When shall this bill be read the third time?

Hon. Mr. Lamontagne: There is a motion, Mr. Speaker, to refer the bill to committee.

The Hon. the Speaker: It is moved by honourable Senator Lamontagne, seconded by honourable Senator Benidickson, that this bill be referred to the Standing Senate Committee on Legal and Constitutional Affairs. Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

CRIMINAL CODE (HATE PROPAGANDA)

BILL TO AMEND—REPORT OF COMMITTEE— ORDER STANDS

The Senate proceeded to consideration of the report of the Standing Senate Committee on Legal and Constitutional Affairs on Bill S-21, to amend the Criminal Code, which was presented on Thursday, June 12.

Hon. Arihur W. Roebuck: Honourable senators, may this order be called later this day? I would ask that it be placed first on the order paper at 8 o'clock this evening.

The Hon. the Speaker: Is it agreed, honourable senators, that this order should stand until later this day?

Hon. Senators: Agreed.

Order stands.

INCOME TAX ACT

BILL TO AMEND—SECOND READING— DEBATE ADJOURNED

Hon. Salter A. Hayden moved the second reading of Bill C-191, to amend the Income Tax Act.

He said: Honourable senators, this bill, C-191, implements tax proposals which were announced in the budget speech of October 22, 1968, except items relating to gift tax which have already been dealt with in Bill C-165.

These amendments fall into four categories. There are amendments to impose income taxes upon life insurance companies and their policyholders, to be found in the following clauses of the bill: clause 15 provides for corporation income tax on life insurance companies; clause 20 provides for income tax on policyholders; and clause 28 provides for a special 15 per cent tax on investment income.

In addition to that category, there are other amendments relating to life insurance companies, required to bring the act into line with major changes which are proposed in those three clauses, 15, 20 and 28. Those clauses are the following: clauses 1, 2, 7, 10 11(3), 13(2), 14(3), 16, 17, 22(2), 30, 31, 32 and 33.

There are other amendments implementing changes proposed in the budget speech. They are to be found in clauses 3, 5, 13, 14, 19, 21, 24 and 29. Then there follows a series of amendments which are technical or consequential, for clarification, and which were not specifically mentioned in the budget. Then, the fourth item is the social development tax of 2 per cent.

In studying this bill for the purpose of presenting an explanation that might be within some bounds of reason and that might be at least somewhat intelligible, I want to tell you that it took a bit of doing. The language is profuse, and the presentation of inclusions in income and deductions from income and deductions from tax is not in the order, as I see it, which would enable you to get the most expeditious understanding of the bill and its purposes. Moreover, I had the further problem that when I went to work on the bill I had a copy at the first reading stage in the House of Commons, and at that time there were explanatory notes on the right-hand page, turning over section by section. Later a considerable number of amendments were made in the Commons, and when the bill finally passed that house those amendments were incorporated, with the effect of changing the page numbers, but not the clause numbers, in relation to the bill as originally introduced.

Since I have based my remarks on the bill in its first reading form, I have prepared a correlation, and if at any time you ask me for a page reference I will be able to give you