

clause 158(2) repeals section 10(1)(h) of the Income Tax Act so that in fact clause (1) of this bill should not set out that it repeals 158(2) of the Unemployment Insurance Act but that it repeals section 10(1)(h) of the Income Tax Act.

The Unemployment Insurance Act says that benefits are taxable but the purpose of the bill is to make benefits non-taxable and to make workmen's compensation also non-taxable.

This to my mind is purely taxation legislation and is not acceptable unless initiated by the Crown.

The bill standing in the name of the honourable Member for Fraser Valley West (Mr. Rose) also purports to amend the Unemployment Insurance Act while in fact in my view it is an amendment to the Income Tax Act. The purpose of the bill according to the explanatory note is to make unemployment insurance non-taxable when the benefits are received by Indians living on a Reserve. This of course affects the taxing initiative of the Crown and is out of order.

I have the same reservations concerning a bill standing in the name of the honourable Member for Kootenay West (Mr. Harding). That bill proposes to change the method of payment of that part of claimants' benefits which is to be deducted at the source as taxable income. This again to my way of thinking deals clearly with tax legislation and as such is irregular unless proceeded upon the initiative of the Crown.

I have extremely serious reservations about the four remaining bills. Generally speaking these bills tend to increase the benefits payable under the terms of the Unemployment Insurance Act or to extend the period during which benefits might be payable under the law.

The question is whether legislation providing for such additional payments affects the financial initiatives of the Crown and requires as a condition precedent the Recommendation of the Crown. The honourable Member for Winnipeg North Centre (Mr. Knowles) has argued that amendments have been allowed where the purpose was to relieve individuals of taxation rather than to impose a tax on someone else. I do not disagree with those rulings which were made in committee; I point out, however, that they were amendments and not new initiatives as in the present case. Citation 265 of Beauchesne's Fourth Edition is the authority to establish that distinction. I am more impressed by the argument advanced by the honourable Member for Winnipeg North Centre (Mr. Knowles) and other honourable Members that the moneys required for the payment of proposed, extended benefits would not come out of the consolidated revenue fund and that they would not in any way affect the balance of ways and means. It is certainly a moot question whether these legislative proposals would in fact, one way or another, directly or indirectly, impose an additional burden on the public treasury and thus infringe upon the financial initiative of the Crown. One might well wonder whether government legisla-

tion tending to alter the benefits payable under the Act or perhaps tending to shift the burden from one group of contributors to the other should not be accompanied by the usual recommendation. I somewhat suspect that some honourable Members in this House would insist that this kind of legislation, if it were sponsored by the government, should be accompanied by a recommendation.

At the same time there are precedents, particularly in British parliamentary practice, which tend to indicate that such legislative proposals, because they do not, strictly speaking, impose a tax or impost as referred to in Standing Order 62, are outside the rule which protects the financial initiative of the Crown.

Because of the difficulty in interpreting the statute which these bills propose to amend; and because these bills, if they had been included in the original group filed at the opening of the session, would now be before the House along with all the others. I feel it would be fair to give the sponsors of these four bills the benefit of the doubt. The conclusion would be that the bills sponsored by the honourable Member for Timiskaming (Mr. Peters), the honourable Member for Winnipeg North Centre (Mr. Knowles) and the honourable Member for Skeena (Mr. Howard) would be acceptable for submission to the House at this time. However, I have an additional reservation regarding the bill standing in the name of the honourable Member for Skeena, and this has not to do with his use of Latin in his explanatory note but, rather, with another aspect of the explanatory note. It has been ruled that such notes ought to be an explanation and not an argument. The mover of the bill cannot introduce in his explanatory note the speech or arguments he might want to present on second reading. Somehow, I feel that that is what the honourable Member for Skeena has attempted in his explanatory note, which, to some extent, is poetry. It sounds lyrical to the Chair. I strongly urge the honourable Member to make it conform more with existing practice and the form that is usual for such explanatory notes. That is the only reservation I would have in connection with this bill. I hope that the honourable Member will find it possible to make the necessary correction, perhaps in consultation with learned parliamentary counsel, after which the bill could be introduced. The other three bills standing in the name of the honourable Member for Timiskaming and the honourable Member for Winnipeg North Centre can be introduced at this time.

Mr. Peters, seconded by Mr. Knowles (Winnipeg North Centre), by leave of the House, introduced Bill C-180, An Act to amend the Unemployment Insurance Act, 1971 (holiday pay), which was read the first time and ordered to be printed and ordered for a second reading at the next sitting of the House.

Mr. Peters, seconded by Mr. Knowles (Winnipeg North Centre), by leave of the House, introduced Bill C-181,