

*Income Tax Act*

minister has leave and the first printing is so ordered of the bill dealing with the ways and means motion.

But here is where we part company because Bill C-54 is an omnibus bill. It has two parts and is not the case where the ways and means motion is contained solely in the bill. It says that a bill will be introduced based upon the ways and means motion. As I look at Bill C-54, I see that the first portion deals with borrowing authority. If it is permissible to include borrowing authority, then the bill concerning income tax could be part of an omnibus bill with five or six subjects attached, and the subjects need not be generally related.

As we have learned from past experience, the government can choose to, shall we say, stitch together a number of bills or, in one bill stitch together a number of matters which are clearly compartmentalized and which amend certain legislation. This I believe was not meant to be.

I was a member of the procedure committee in 1968-1969 which brought in this change in the rules. I know that the subsequent minister of finance, Mr. Macdonald, who was also the government House leader, was the chief protagonist of the changes in the rules. It was clearly indicated that in order to facilitate a minister of finance in presenting the ways and means motion, this could be presented not only at budget time but at some other occasion, and since the motion would not be debated but merely voted upon, that there was the authority to bring in a bill based on the ways and means motion. At no time has anything been said to the effect that the borrowing authority provisions would be a part of this bill.

That is the practice to which my colleague, the hon. member for Calgary Centre (Mr. Andre), and I are objecting. It should not be. The bill should deal with income tax and income tax related matters, because there is also in the ways and means motion a clause to amend income tax application rule 71, and that is perfectly in order. But to include the other portion is totally and utterly wrong.

There is also the possibility that the bill may be considered to be in order. I must address myself to the possibility that the Chair will find that my colleague and I have not made our point. I refer the House to the debate on the borrowing authority bill which took place in the fall of 1979 when, for I do not know how many days, the House was consumed in reviewing interest rates, housing, and every damned thing conceivable because, somehow or other, the Chair felt that there was a thread running through the debate. Therefore, in dealing with an income tax bill in Committee of the Whole, we could have a general economic debate.

There is another point. The rules have never foreseen that provisions with regard to borrowing authority should be considered in Committee of the Whole. That part in itself cannot be considered in Committee of the Whole without the unanimous consent of the House, so I think the government has placed itself in a dilemma in regard to this matter. I suggest to you, Madam Speaker, that the question really is not open, although it can be contemplated.

● (1220)

If you look at the intent of Standing Order 61, the points made by the hon. member for Calgary Centre, the rulings of Mr. Speaker Jerome in considering these matters, as well as the remarks of Mr. Speaker Lamoureux, and also the arguments by the former member for Peace River, Mr. Baldwin, and myself, I suggest that you will rule in our favour and that that portion of the bill dealing with borrowing authority will have to be excised.

**Mr. MacEachen:** Madam Speaker, I should like to say a word or two on the point of order raised by members of the opposition.

I believe that the government is proceeding correctly and on the basis of precedent in seeking authority to borrow as part of an income tax bill. You will realize, Madam Speaker, that the Financial Administration Act provides that statutory borrowing authority must be obtained from Parliament to permit the government to increase its outstanding debt. That is the law.

Up until 1975 it was usual to tuck on a request for borrowing authority to a supply bill. That was the practice. For the hon. member for Edmonton West (Mr. Lambert) to say that it is not possible to deal with borrowing authority in Committee of the Whole, asks us to recall the practice that must have prevailed when, on supply, the Committee of the Whole usually dealt with the items of supply and with the supply bills. Of course, at a certain point we changed the rules to provide that the Committee of the Whole would not deal with supply in the usual way. That is a side argument made by the hon. member for Edmonton West, that would have to be examined in the light of the practice that must have prevailed when the borrowing authority requests were dealt with in the committee on supply. I do not know what difference in principle would exist in terms of Committee of the Whole that would deal with this particular bill.

The main point is that up until 1975 the request for borrowing authority was tacked on to a supply bill. Mr. Speaker changed that because it was true that in certain circumstances it would not be possible for the House to debate that request for supply. It was only because there was no opportunity for debate that the ruling was made. Subsequently the practice was continued of tacking it on to supply bills, with the understanding that there would be one day's debate. This was provided for.

In 1979 another practice was introduced. The borrowing authority was sought by adding a clause to the income tax bill, to amend the Income Tax Act. That was accepted; there was no difficulty; no point of order, and it was regarded as appropriate.

It is true that the former minister of finance and myself did introduce separate borrowing authority bills, and I think quite appropriately in those circumstances, because neither of us, in seeking very large borrowing, had produced a budget. That was quite a different circumstance. To ask the House to provide the borrowing authority before a budget plan had been produced might have been procedurally correct through some