not limited to the province of Quebec. I do not support that movement, yet it exists in western Canada. Oh, the government should know this, especially if it ever thought that it understood western Canada. That same feeling exists right within the province of Ontario. The Premier of Ontario and several of his ministers last week made strong statements with regard to fiscal and economic matters in Canada. They insisted that there shall be partnership between the Federal government and those of the provinces and that international trade accords shall not be concluded unilaterally with the federal government, that there should be close consultation with the provinces involved.

The auto pact is a case in point. As recently as yesterday Premier Davis said that there should not be any changes in that pact without the full accord of the province of Ontario. The province of Alberta says that there shall be no change in national energy policies affecting the export of oil and gas without prior consultation with, and the agreement of, the province of Alberta among others. The provinces have their interests and surely to goodness the federal government, in the spirit of confederation and in the spirit of partnership that is basic to confederation, must listen. It is for that reason, Mr. Chairman, that I say that most of this bill should stand deferred, except those parts relating to tax cuts.

There is one further point that I want to make on this aspect. I want to read an excerpt from an editorial in a publication that is well known to the hon. member for Outremont. The editorial was taken from the *Canadian Chartered Accountant* of November, 1971. I think some colleagues on the finance committee are conversant with that publication, which may be considered as the professional bible of that body. The editorial is headed "Taxmanship Brinksmanship".

Paragraph 3 reads:

> If every chartered accountant who has responsibility for giving tax advice, whether in industry or in public practice, were to drop everything and devote the remaining time to an in-depth study of the new legislation and its accompanying regulations, it is still doubtful whether this would be sufficient to provide all taxpayers with pre-implementation advice.

• (12:20 p.m.)

How true that is. Those lawyers who are also concerned with tax matters could be included as well. There are further observations. I wonder how many members of this House availed themselves of an opportunity that was offered a few weeks ago under the sponsorship of the finance committee. A team of experts from the Institute of Chartered Accountants produced a highly informative, and as uncomplicated as possible, audio-visual presentation of the major provisions of Bill C-259 in this very building. At no time did more than a dozen members attend, although every member of this House received prior notice. By arrangement with the government House leader, the sittings of this House were so arranged that those interested in fiscal matters could attend those demonstrations which lasted all day. I now quote the final paragraph of this editorial:

> Without being the slightest bit cynical, we offer as a final suggestion that all Members of Parliament take the CICA Tax Reform Course before they presume to pass the legislation into the law of the land!

[Mr. Lambert (Edmonton West).]

About 10 or 12 members of this chamber attended that course. I had an exchange with the hon. member for Winnipeg South Centre a minute ago. We hear many members who have not even cracked the covers of this book, say "agreed". It could be written in Urdu, Hindustani, or Swahili or in any other language. They would still say "agreed". They do not have the slightest idea of what is in this bill or the implications of it.

Mr. Marchand (Kamloops-Cariboo): Oh!

Mr. Lambert (Edmonton West): The hon. member for Kamloops-Cariboo says that he knows. I suppose he knows that the bill increases the exemption to $1,500 and that sort of thing. Those are the saleable items. Will he tell me how the government proposes to handle trusts, international income, small businesses, minerals, petroleum and natural gas? Will he tell me how the mines in his constituency, as well as other parts of his province, are going to be handled and what they are saying about it? He says "agreed". He dismisses the representations from the mining associations in his province against the provisions of this bill as they affect the major industries in his province. The hon. member is one of those who regularly says "agreed" and wants to pass on to something else. I will come back to section 14 later.

Mr. Burton: Mr. Chairman, the discussion today on business and property income includes quite a number of areas of interest. Some of the areas included in the scope of business and property in the summaries of the legislation which have been published and made available to members have already been dealt with to some extent in this debate. There may be some overlapping of discussion on some of the items that have already been considered by the committee. I would like to deal with a number of points concerning business and property income because those items include a number of very important points that deserve consideration by the committee.

The first point I would like to raise concerns the change that is being proposed which will allow corporations in the future to deduct from their taxable income interest on money borrowed to buy shares in other corporations. This is quite an important point. I am very interested in some of the rationale that has been presented by the government on this point.

I wish to quote from the Summary of 1971 Tax Reform Legislation which was tabled on June 18 along with the other budget papers. It has been referred to by some members, including myself, as the "brown paper". I understand in the accounting world they occasionally refer to it as the "blood paper". I quote what that paper has to say about this particular matter:

> The present tax system does not permit a corporation to deduct interest on money borrowed to buy shares of other corporations because the dividends on these shares are normally tax-exempt. To encourage Canadian ownership and investment, the bill provides a full deduction for interest on money borrowed by a corporation to buy shares in any other corporation. The present system allows a deduction for individual taxpayers and this is retained.
>
> This deduction for interest provides a substantial incentive for Canadian corporations to invest in other corporations and permits them to compete on an even footing with foreign corporations. Assuming a tax rate of 50 per cent, the cost of borrowing money for share purchases will be cut in half.