

*Excise*

can be done by the government in drafting the bill. Otherwise there is no flexibility on either side of the House.

I might introduce three subsidiary arguments. I really base my submission before Your Honour on what I have already said, but there are three subsidiary arguments which you might like to entertain. The first is that the text of the notice of ways and means does not apply any longer. The bill has been read a second time and referred to the committee of the whole. All that the committee has before it is the bill. Amendments that are relevant may be made, provided they do not raise the rate or the incidence of the tax and thereby infringe upon the financial initiative of the Crown or imbalance ways and means.

What governs relevance is the bill itself as represented to the committee. The only bearing on the question of the ways and means procedure is the procedure which the House has developed to maintain the Crown's financial initiative. The only purpose of a ways and means motion preceding a tax bill is to preserve the initiative of the Crown to tax, to change the ways and means of the country and add a budgetary burden upon the people. It is because of this that notice of ways and means has been a procedure of this House. Second, I might say that the original point of order, raised, as it was, on second reading might have been raised too late even at that stage. It should have been raised before I was permitted to propose the motion for second reading. It was not raised until after that motion had been placed before the House.

● (1620)

My third argument is that the committee be entitled to amend the bill to match the ways and means motion, but the chairman has no authority to order that this amendment be made: his authority is defined in the committee's reference, not with reference to the ways and means motion. In any event, the question is in your hands, Mr. Speaker, and you will determine what flexibility will be allowed in the discussion of tax measures.

**Mr. Speaker:** Before the discussion goes any further, is there any disagreement on the point that was not mentioned, that is, the interpretation of the term "naval" in the bill? Is there any disagreement that "naval vessels" means vessels in the navy of Her Majesty? That is a relevant point. The bill does not refer to vessels that might be in the merchant navy, outside of Her Majesty's forces. I should like to know whether there is agreement, or disagreement on that point because it may become material.

**Mr. Lambert (Edmonton West):** Your Honour has come right to the nub regarding whether there is an amendment of substance. I agree with the minister. He made the point that there is no difficulty with flexibility, in changing the wording, so long as the tax is not changed. My point is that this change goes beyond the use of grammar. I come back to the question, what are naval vessels: are they the equivalent of what is provided for in the bill? Naval vessels are other than boats purchased or imported by Her Majesty in right of Canada for use exclusively by the Government of Canada. The government can buy 25-foot sloops for the Department of Indian Affairs and Northern Development, or for the Department of Transport.

[Mr. Turner (Ottawa-Carleton).]

**Mr. Turner (Ottawa-Carleton):** The opposition is more of an authority on naval vessels because it looks at its naval far more often.

**Mr. Munro (Esquimalt-Saanich):** Watch your spelling, John.

**Mr. Lambert (Edmonton West):** Also, power boats can be purchased by the Department of Public Works, the Department of Transport and the Department of Indian Affairs and Northern Development, and they are to be used exclusively by the Government of Canada. They are not naval vessels by any stretch of the imagination; they are any type of vessel. A naval vessel is one that is understood to belong in a navy, and a navy is for a specific purpose. Therefore, I submit that notwithstanding the use of naval destroyers for fishery patrol vessels at present, that is not their purpose and to that extent, if it is ruled that such an amendment is possible, I would say that it is open to my colleagues to introduce amendments of a relieving nature.

**Mr. Speaker:** Is there serious disagreement about that? I want to understand this quite clearly. I might say at this point that the importance of the point in respect of this fundamental procedure of parliament would cause me to give this matter extended consideration in the hope that the committee or the House may be able otherwise to occupy itself in progressing with the study of the bill. If I understand the point correctly, it seems that the exception that is proposed in the bill encompasses a wider class of vessel than the exception proposed in the ways and means motion. It would seem, to me, to say that the bill therefore proposes less in the way of tax than is proposed in the ways and means motion, which would support the primary argument of the minister. I want to be clear on this.

**Mr. Turner (Ottawa-Carleton):** May I say, with respect, Mr. Speaker, that you have seized it perfectly. I submitted that the first argument was that the bill was relieving in comparison with the ways and means motion which excludes tax from naval vessels. The bill excludes from tax boats owned by the Canadian government. The dictionary definition of "naval vessel" is "a government warship," but a boat owned by Canada surely includes government warships plus any other type of boat owned by the government. So that by widening the exclusion we are extending the relief.

**Mr. Speaker:** If there are no further contributions to the discussion, I propose to reserve my decision. My only concern is whether or not we are able, without inconvenience, to return to the committee study and go on with other clauses. I will be in a position to bring forth a ruling on this very important question tomorrow afternoon.

**Mr. Munro (Esquimalt-Saanich):** Mr. Speaker, I rise on a point of order, if I may interject at this stage. I think we should know, before we go back to committee of the whole, the intention of the government. Nowhere else, so far as I am aware, is the government planning to buy naval vessels, much as we would like to see it. But if it is the intention of the government to exclude naval vessels and other vessels for the Department of the Environment or the Department of Fisheries, I think it should be made