

Canada Corporations Act

This is a general statement of course and refers more to the resolution than the royal recommendation but it is the rule which applies to royal recommendations even when a bill is not preceded by a resolution. I have looked at the words in the royal recommendation and having studied it, my humble interpretation of it was that it should be deemed to include the costs incurred by individuals, which the hon. member's amendment would want to be paid.

Of course I have some difficulty in connection with the other argument put forth by the hon. member for Edmonton West when he suggests that his proposal is on all fours with the clause contained in Bill C-216 on the Order Paper, which is an act to establish the tax review board and particularly clause 22 subsection (3) wherein section 101 of the Income Tax Act is amended by making costs payable by the Crown where the amount of taxes in controversy does not exceed \$1,000. The hon. member suggests that this has the same effect as his proposal to amend Bill C-4. I should like to suggest to the hon. member that there is a substantial difference in that the amendment to section 101 contained in clause 22 of Bill C-216 in reality recommends a reduction in the charge on the Crown because section 101 at present enables the court to order payment of costs by the Crown in all cases, that is, wherein the amount of taxes on controversy exceeds \$1,000.

That is my interpretation. The hon. member does not appear to agree with this, but I have given the matter serious thought and study and it is my impression that this is the way the bill ought to be interpreted.

Through his amendment, the hon. member suggests that he would rectify what he considers an inequality or injustice by putting the individual taxpayer on the same basis as the Crown. This is a most laudable purpose but I would not think it is sufficient to overcome the procedural difficulty to which I have alluded. I would have to rule that Motion No. 3 standing in the hon. member's name cannot be put for the reasons I have stated.

I feel we would have the same difficulty in relation to Motion No. 5 but perhaps the hon. member feels there is a difference which is not apparent to me. Unless he felt there was a difference in Motion No. 5 and would like to argue some difference between the two, I suggest that the ruling I have just made on Motion No. 3 should apply to Motion No. 5.

Mr. Lambert (Edmonton West): Mr. Speaker, first of all I should like to raise a point of

order because I would hesitate to have the Chair misdirect itself on an interpretation of law. Your Honour indicated the amendment to section 101 of the Income Tax Act was a reduction of the—

Mr. Speaker: Order, please. That is not a point of order. The hon. member is debating a ruling of the Chair and he knows very well that cannot be done. Perhaps he would like to advance an argument in connection with Motion No. 5.

Mr. Lambert (Edmonton West): With in regard to Motion No. 5, I hope Your Honour will look at section 101 again because what I did was to follow the principle as enunciated in the bill whereby the Crown can recover its expenses by saying, at the termination of the investigation or at any stage, that the commission which is in charge of the proceedings may in its discretion direct the payment of the expenses of the Crown. In other words, I am suggesting that the Crown should have the right to recover some money. In the previous section the Crown has narrowly limited itself to the case of an eventual conviction. I agree that they should, in this instance, recover their expenses and I think it is an acceptable principle. But I go further and say why should the Crown not have the right to recover part way down the road? If the person involved says "that is fine I agree. I will not raise any further defence and I will restore the money" or whatever it is, then the Crown should have the right to recover. But under these cases, unless there is security for costs, which was an amendment the Minister and I worked out together, there is no means whereby the Crown can recover any of its expenses. That is the purport of my amendment.

True enough, I must travel down both sides of the street and if at any time in these proceedings the Crown should desist—this often happens because the individual before the commission may have given a satisfactory explanation and the Crown could be satisfied that it should not proceed any further—then I say the commission, in its discretion, should make an award of the expenses of the individual or the company concerned and that these be paid by the Crown. Let us have justice on both sides of the street, and this is what I have said.

I have indicated clearly that this shall be for the payment of the expenses of an investigation of the affairs of a company. There is no suggestion, I would submit, of any ques-