

Hon. R. B. HANSON (York-Sunbury): Mr. Speaker, before you leave the chair so that the house may go into the committee of ways and means there are some observations I should like to make. I do not rise for the purpose of discussing the blackout, except to say we all agree that these trial blackouts should take place. But I am wondering who gave the instruction to turn off the power for the elevators in this building at the same time. That would not seem to be necessary, when a blackout of the lighting of the buildings is required. A group of us were nearly caught for the duration in one of the elevators. I thought the pulling of power switches, along with the light switches, was a stupid procedure.

I am glad to have the assurance of the Minister of Munitions and Supply that he is not withdrawing his bill, because the discussion on second reading only touched lightly and, so far as I am concerned, very gently, the principles underlying the bill. There is a great deal I could say about the measure. And I would have said it, too, had I not thought the department was more or less *in extremis*, and that its life might be endangered. I hope that when the bill comes up ample opportunity will be given for its consideration, now that we are assured that no irreparable injury will be sustained by reason of the delay.

I was interested in the minister's statement that the government is always reluctant to amend legislation by order in council. That will be news to most private members who, in season and out of season have watched the passage of orders in council by the administration, not by the dozen but by the hundreds, while parliament is in session. I have said on more than one occasion that it is an affront to parliament, and I reaffirm that position to-day. I am afraid the minister had his tongue in his cheek when he made the statement. However, accepting it on its face, it is a promise for the future that legislation, the prerogative of the House of Commons and of the people's representatives, will not be altered over night by order in council while parliament is in session. I think we ought to insist upon that, except in cases of greatest emergency. When such procedure is followed, the orders in council ought to be placed on the table of the house, with explanations as to why they were required.

INCOME TAX—DEDUCTIONS FROM SUPERANNUATION PAYMENTS—ALLOWANCES FOR CHILDREN

Hon. R. B. HANSON (York-Sunbury): Mr. Speaker, on the motion to go into ways and means I desire to make some observations respecting income tax. I regret that for the moment the Minister of Finance (Mr. Ilesley) is not in his seat, because I should like to put

to him some general questions with respect to the basis of income taxation. These matters are not at present before the house under the resolutions soon to be discussed by the committee.

I refer first to the question of taxation of superannuated civil servants. May I at the outset say that I am not doing this of my own volition, but rather as the result of a flood of correspondence from superannuated civil servants who feel they have been harshly dealt with. It will be recalled that when the cost of living bonus was introduced a body of associated superannuated civil servants applied for the bonus. I have in mind one of them—a superannuated postal clerk living in Halifax, his only income being a small superannuation. There are many others in similar circumstances. These people applied for the cost of living bonus. Correspondence between the minister and the organization was produced indicating that the minister took the ground that the superannuation system was a contract between the government and the civil servant, and that because the position was governed by contractual relations between the parties arising out of the operation of the statute, they were not entitled to the cost of living bonus. The minister was adamant. But when the income tax was imposed, the government, being the paymaster of the superannuation allowance, by regulation or statute or otherwise stopped at the source a contribution to income tax out of these superannuation annuities. This was done I should think on the theory that the country needed money.

If superannuation allowance was a contract between the government and civil servants, under which they were not allowed the cost of living bonus, then the same argument applies with respect to deduction at the source for income tax purposes from the annuities or pensions of civil servants. The same reasoning must apply, the minister cannot have it both ways. If these persons are not entitled to the cost of living bonus, then the minister should not, on the basis and theory of contracts, deduct from these small pensioners—in most cases they are small—a contribution to the income tax irrespective of their financial position otherwise.

The second point I desire to make arises out of a statement made last week by the minister in the debate which arose on the amendment to the motion to go into supply moved by the hon. member for Charlevoix-Saguenay (Mr. Dorion), and which asked for extended exemptions to those with large families. That is a position which has always had my support, because for married men with