piece of legislation which did the very reverse of that about which he now complains. In effect it made something legal which had previously been illegal and by a variety of circumstances authorized an illegal act, namely, a conspiracy to fix prices, especially in the production, distribution and sale of raw fish in British Columbia. Prior to 1960 an inquiry was conducted by the combines investigation branch into the production, distribution and sale of raw fish in that province. This matter was delayed for many years as a result of a number of court actions and to my knowledge the case never did come to trial, though it may have in later years when interest in the subject had died down. In any event the allegation was that the fishing industry as one element and the companies in the industry had entered into an illegal conspiracy to fix prices.

• (4:20 p.m.)

The hon. member, who was then minister of justice, in introducing amendments to the Combines Investigation Act took the course of saying that what was previously illegal should be made legal. Consequently he piloted amendments through the house and the banking and commerce committee which, incidentally, were supported by the hon. member for Parkdale (Mr. Haidasz).

**Mr. Speaker:** Order, please. I will recognize the hon member for Kamloops in a moment. I allowed the hon. member for Skeena to continue along the line he has been following because I thought he wished to establish an analogy between two situations. Certainly, the discussion he is now embarking on is, to my way of thinking not relevant to the bill before the house.

**Mr. Fulton:** I rise on a question of privilege and not to enter into any detailed debate on the matter to point out that the hon. member for Skeena has completely misstated the effect and the intention of the legislation I introduced in 1960. It did not have, nor was it intended to have, the effect he outlined.

**Mr. Speaker:** Order, please. Perhaps it might be simpler if we returned to considering the bill before the house.

**Mr. Howard:** I am amazed at the sensitivity of the hon. member for Kamloops. Having successfully drawn my analogy, having drawn blood by way of a protest, and having gone far enough to prove the case beyond doubt, in view of your admonition, Mr. Speaker, I shall resist going further into the very poor case

[Mr. Howard.]

that the hon. member for Kamloops tried to sell the house.

**Mr. Aiken:** Talk about agility.

**Mr. H. R. Ballard (Calgary South):** Mr. Speaker, I rise to make two serious objections in a general way to some provisions of the bill. I shall be more specific when we consider the bill clause by clause. One point has to do with deferred profit sharing plans and the amendments in regard thereto in the bill. Section 79C of the Income Tax Act and the amendments to that section in this bill must be considered together as dealing with deferred profit sharing plans. The matters dealt with are not necessarily pension plans, as implied by the hon. member for York East (Mr. Otto). A deferred profit sharing plan can be used for a number of different circumstances. It need not be used as a pension plan for employees.

Many taxpayers of Canada have interpreted section 79C in this light. This is shown by what some taxpayers have done since section 79C was introduced in 1961. The original section 79C laid down a number of regulations governing a deferred profit sharing plan. For example, such plans had to be registered with the Minister of Finance. Instructions were given by the minister about the types of plans which could be registered with him.

The act laid down general criteria about how trust funds could be used. Then, as so often happens, a general clause was included. Section 79C, subsection (2) (g) is the catchall part of the act. It reads as follows:

> (g) the plan, in all other respects, complies with regulations of the governor in council made on the recommendation of the Minister of Finance.

It is apparent that if the regulations were not broad enough to catch all the situations the minister had in mind he had this particular clause to fall back on when making additional regulations. As a matter of fact he used this clause to some extent in issuing directives to the various income tax offices for their guidance in assessing these plans.

I am particularly concerned about what the hon. member for Kamloops said this afternoon in regard to the retroactivity of the legislation and the fact that quite a number of profit sharing plans will now be more or less discarded. It was apparent to the Minister of Finance, I believe, that a number of profit sharing plans were instituted for the purchase of life insurance on the lives of principals of companies, and that eventually, on the death of the principal shareholders,