

*Income Tax Act*

sovereign. If Parliament wants to change a decision made previously or a decision of another Parliament, so long as the matter is within the federal jurisdiction under our constitution, Parliament has the right to do so. What the government is proposing at this time is that this House take the decision to change this surtax by extending the period for one year. If this House takes that decision, I do not think it can be suggested it is going back on anything that happened in the past or on anything that has occurred in light of circumstances in the meantime.

**Mr. Winch:** I accept the explanation of the hon. minister, but I despise dishonesty on the part of the Government.

[Translation]

**Mr. Henry Latulippe (Compton):** Mr. Speaker, I should like to ask the minister why the government is maintaining this tax. We are told that for 1970 the government is expecting a huge surplus.

If the budget of the government is satisfactorily balanced, why should it unbalance the budgets of all Canadians to the benefit of the federal government's?

**Mr. Gray:** Mr. Speaker, the Minister of Finance (Mr. Benson) said, in his budget speech, that it was necessary, in order to win the battle against inflation, to maintain fiscal restraints. In this regard, one of the methods he advocated was to maintain the surtax for one year in order to win this battle against inflation, which is in the interest of all Canadians, including the lower income groups.

[English]

**Mr. Aiken:** I have one further question. A moment ago the minister declined to go into the past record regarding surtaxes. Can he assure the house that in looking to the future it is the intention of the Government to drop this tax when the temporary period of one year expires?

**Mr. Gray:** Mr. Speaker, the government is proposing at this time that the surtax be extended for a further year. If I answered the question I think I would be departing from the well established principle that has been followed by governments of all parties in Canada of not attempting to make announcements on fiscal changes until the appropriate time comes to do so.

**The Acting Speaker (Mr. Béchard):** Is the House ready for the question?

[Mr. Gray.]

**Some hon. Members:** Question.

**The Acting Speaker (Mr. Béchard):** The question is on the amendment proposed by the hon. member for Edmonton West (Mr. Lambert). All those in favour will please say yea.

**Some hon. Members:** Yea.

**The Acting Speaker (Mr. Béchard):** All those opposed will please say nay.

**Some hon. Members:** Nay.

**The Acting Speaker (Mr. Béchard):** In my opinion the nays have it.

*And more than five members having risen:*

The House divided on the amendment (Mr. Lambert, Edmonton West) which was negatived on the following division:

● (4:20 p.m.)

## YEAS

## Messrs:

Aiken	Lewis
Alexander	Lundrigan
Alkenbrack	MacDonald (Egmont)
Asselin	MacEwan
Baldwin	MacInnis (Cape Breton- East Richmond)
Barnett	MacInnis (Mrs.)
Bell	MacLean
Benjamin	MacRae
Bigg	McCleave
Brewin	McCutcheon
Broadbent	McGrath
Burton	McIntosh
Cadieu (Meadow Lake)	McKinley
Carter	McQuaid
Coates	Mather
Code	Monteith
Comeau	Muir (Cape Breton- The Sydneys)
Crouse	Muir (Lisgar)
Danforth	Nesbitt
Diefenbaker	Nowlan
Dinsdale	Nystrom
Douglas (Nanaimo- Cowichan-The Islands)	Orlikow
Downey	Paproski
Dumont	Peddle
Fairweather	Peters
Flemming	Ricard
Fortin	Ritchie
Gilbert	Rodrigue
Gleave	Rondeau
Godin	Rynard
Grills	Saltsman
Hales	Schumacher
Harding	Scott
Howard (Skeena)	Simpson
Knowles (Winnipeg North Centre)	Southam
Knowles (Norfolk- Haldimand)	Stanfield
Korchinski	Stewart (Marquette)
Lambert (Edmonton West)	Thompson (Red Deer)
Laprise	Thomson (Battleford- Kindersley)
Latulippe	Winch
	Wooliams
	Yewchuk—82.