

Income Tax Act

it is not regarded as a temporary tax. Obviously a mistake must have been made in the drafting of the legislation, and I believe it should be corrected by the committee.

In view of this I move:

That clause 5 be amended by deleting from sub-clause 2 thereof the words "and subsequent taxation years" and substituting therefor the word "year".

This would bring the clause in line with the subheading "temporary surtax".

• (3:20 p.m.)

Mr. Sharp: Mr. Chairman, first of all I should like to question whether this amendment is in order under the rules of the house. It does not affect the level of tax for the year 1968, of course, but it does seem to me to affect the balance of ways and means for any period after December 1, 1968. Therefore it would be beyond the rules as I understand them.

Mr. Knowles: Mr. Chairman, in the light of what the minister has just said on the point of order he has raised, it would appear that he regards this new clause as one that is going to impose this taxation for all time. It seems to me that the point raised by my hon. friend from Comox-Alberni is well taken, namely, that the legislation we are passing should be consistent. It should hold together and not just make nonsense.

Here we have a new section entitled "temporary surtax". The minister says we cannot change that part of it that makes it permanent because that would upset the balance of ways and means in 1969, 1970, 1971 and so on. It seems to me that at some point in this discussion we have to get it clear—and we have to say so—whether this taxation is temporary or permanent. In effect the minister has said that he does not want to accept the amendment because he wants the tax to be permanent.

Mr. Sharp: Mr. Chairman, I have no hesitation in arguing the main point that has been made in this amendment, but I do not think I should do so until you have made a ruling whether the amendment that has been moved is within the rules of the house.

The Chairman: Order. I should like to point out to the committee that the amendment as moved by the hon. member for Comox-Alberni appears to the Chair to reverse a decision already taken by the committee. On November 30 the resolution was introduced and first reading was given to the bill on

December 18. The first paragraph of the resolution commences with the words:

That for the 1968 and subsequent taxation years—

Paragraph 2 begins with these words:

That for the taxation years commencing after November 1968—

The amendment moved by the hon. member for Comox-Alberni would appear to be contradictory to the resolution already passed. Therefore I would have to rule it out of order.

Mr. Barnett: I am not going to question your ruling, Mr. Chairman, though since you have drawn attention to the terms of the resolution I suggest that had the minister been prepared at this stage to make his bill consistent and to adopt and move the amendment I have just proposed it might well have been in order. However, the minister appears to indicate no interest at all in removing the inconsistency in the bill in this regard, and by making the statement he did on the point of order he has in effect confirmed his intention to make this tax permanent.

I should like to remove this inconsistency in another way so as to bring the provision more in line with the resolution passed earlier by the house. May I again refer to the heading to the amending part of clause 5 where following the words "Part 1A" the words "temporary surtax" appear. If it were the intention of the minister to impose a temporary tax and to bring in a bill to do so, then we could have argued that point on its merits. On the other hand, the bill as drafted and, indeed, Mr. Chairman, as you have pointed out, the resolution itself indicates that the proposal is that there be a permanent tax. Obviously the sequence of events makes the phrase "temporary surtax" redundant.

Certainly it would be within the minister's rights to stand up and state that it is his intention as Minister of Finance, if he remains in that position, at some later time to introduce a further amendment to the bill. But I would suggest that would be merely a statement of personal intent on his part or on the part of the government and at most could not be regarded as anything more than temporary.

Quite wide publicity has been given to the idea that this tax is temporary. Indeed, I heard it referred to in those words only yesterday or the day before on a C.B.C. national newscast. It appears that this is nothing more nor less than a piece of window dressing on the part of the Minister of Finance. He is