

*Income Tax*

ized by private enterprise. I happen to believe that the people of Canada as individuals should own this country, not the people as a mass through a state organization.

**Some hon. Members:** Hear, hear!

**Mr. Hamilton (Qu'Appelle-Moose Mountain):** I know my history as well as most and I know no party can match the Conservative party—

**Some hon. Members:** Oh, oh!

**Some hon. Members:** Hear, hear!

**Mr. Baker (Grenville-Carleton):** Truth is truth!

**The Chairman:** I regret to interrupt the hon. member but I do so because his time has expired.

**An hon. Member:** We've got to hear this!

**Mr. Turner (Ottawa-Carleton):** On a point of order, I think all of us on this side of the House are wondering how the hon. gentleman intends to complete his sentence. I think we should allow him to continue.

**The Chairman:** Does the committee agree?

**Some hon. Members:** Agreed.

**Mr. Hamilton (Qu'Appelle-Moose Mountain):** I think the minister is wise, because he knows that if somebody intervenes I could go on for a further half hour. But I will spare him by concluding in all seriousness that the hon. gentleman is in a desperate political situation. He knows that if a party in opposition makes a proposal which does not deprive him of bargaining power but merely allows him a greater degree of flexibility, it is the type of proposal all the parties can support even though they might not agree upon what ought to be done at the conference.

● (2030)

What we need for a good parliament is that when a positive construction or proposal is made by any person or party in this House it should be taken seriously. The members of the cabinet should look at the proposal and if they think there is merit, and it does not require the giving away of any of the government's position, they should accept it. That is what makes the parliamentary system work. It is only occasionally that the opposition gets the government to agree to a slight change. I am suggesting that this is one of the occasions when parliament would look better to the people of Canada if the minister did accept this moderate suggestion, namely that we move a small amendment—and this has been done before on many occasions—in which it is stated that clause 4, and all the related clauses which are cross-indexed to it, will not be proclaimed except by order-in-council.

It is understood that this would mean the portion dealing with the non-deductibility of provincial tax on royalties would not be proclaimed until after the Prime Minister's meeting with the premiers. That is a moderate proposal which is not taking anything really away from the government, but it does add a little bit more flexibility to this coming meeting with the premiers. It also takes away the feeling of confrontation. The Prime Minister

[Mr. Hamilton (Qu'Appelle-Moose Mountain).]

would be going there to consult freely about the same dollars from the same people, and would be in a better position to arrive at an agreeable solution. I think parliament would then look a lot better.

Above all, I would suggest to the Minister of Finance that, if I am right and this is a moderate proposal, and if he is under duress or instruction from the cabinet or the Prime Minister, then he has a duty to himself and his future political survival to go to the Prime Minister and his colleagues and say that he thinks the opposition has made a moderate proposal and that he is going to look darn silly if he does not accept it. He should tell his colleagues that the government is going to look silly. Perhaps we should change the word "darn" a little bit.

If the Minister of Finance puts that proposal to the Prime Minister and he does not accept it, then the minister has every right, as a politician with a future, to say that he cannot stay in a cabinet that is not flexible enough to agree to a moderate suggestion like this. This point is more vital than just winning a debate in this House. We are talking about the future of this country as a federal state consisting of a federal government and ten provincial governments. We have to work in an atmosphere of harmony in order to make the system work.

I do not think this proposal is unreasonable. I indicated to the minister on January 30 that I was going to put this proposal forward. I made reference to it two or three days ago and I have repeated it tonight. If the minister wants goodwill in this House, now is the time to make the move that will engender this goodwill.

There are many parts of this bill on which many of us would like to speak. Under the circumstances, with so much at stake at this conference on April 9 and 10 with all the mining provinces, the forestry provinces and the oil provinces, if this type of goodwill was demonstrated in this House I am sure it would help a lot in arriving at successful conclusions. Above all, it would help the Minister of Finance, because we would then know that he was a powerful individual in the cabinet willing to put his views on the line for parliament and the people. He does not have to soften his bargaining with the provinces. All he has to do is agree to the amendment, which will be to the effect that these related parts will not be proclaimed until after the conference. I think the minister should not only take the time to consider this, he should stand up to his colleagues and take a stand for all Canadians.

**Mr. Nystrom:** Mr. Chairman, the issue we are debating at this time is clause 4 of the bill. This is a very lengthy bill and, in many ways, it is extremely controversial. I am sure the minister as well as all of us in the House will agree to that. This particular clause touches the root of federalism in this country. I do not say this in a political sense but as one who comes from the prairies. I am sure the Quebec members understand this issue as they have had disagreements before with Ottawa. In the past the disagreements Quebec has had with Ottawa have been basically on social, cultural and linguistic issues.

We now have an issue in respect of which the prairie provinces in particular and the west in general have a disagreement with Ottawa. It seems to me that the Minister of Finance would be very wise to take up the sugges-