

Excise Tax Act

Hon. Donald S. Macdonald (President of the Privy Council): On a point of order, Mr. Speaker. Before the debate continues I would like to address some remarks to the question of the propriety of the hon. member's amendment from the standpoint of the rules of the House concerning the imposition of taxation.

As I understand the effect of his amendment, it would be to change the incidence of this particular taxation from a 5 per cent ad valorem tax against certain air fares and propose to the House that the Committee of the Whole should consider the raising of the same amount of money by a flat fee. In simple terms, the tax which was recommended to the House by the Governor in Council proposed a percentage tax. The hon. member's proposal would change the effect of this tax so that some people would pay less in the way of taxation of this kind while others would pay more. It seems, if the amendment is to have any purpose at all, it must then have that effect.

The effect of the amendment is to refer back and therefore have the committee engage in a study in which, under our procedures, I submit it could not engage in any event. I wish to refer Your Honour to citation 263 (2) of Beauchesne's fourth edition, page 220. I wish to quote that provision which I believe covers this particular case:

The principle that the sanction of the Crown must be given to every grant of money drawn from the public revenue, applies equally to the taxation levied to provide that revenue. No motion can therefore be made to impose a tax, save by a Minister of the Crown, unless such tax be in substitution, by way of equivalent, for taxation at that moment submitted to the consideration of Parliament; nor can the amount of tax proposed on behalf of the Crown be augmented, nor any alteration made in the area of imposition.

I also draw your attention to Beauchesne's 4th edition, citation 276 (1):

The royal initiation in taxation implies the exclusive right to define the incidence as well as the amount of burdens to be placed upon the people, an amendment which transfers a burden to taxpayers not previously liable is an infringement on this initiative.

May I also draw your attention to citations 268 (2) and 276 (6) in the same volume; the latter is a brief one and it reads as follows:

On the third reading of a bill to authorize the levying of a tax, a private member cannot move in amendment, even with the approval of the government, that the bill be referred back to Committee of the Whole with the object of having the tax increased.

[Mr. Speaker.]

On the basis of these citations, and of the practice of this House in the past, I would argue that the latter restriction would apply equally with regard to a motion such as that of the hon. member for Edmonton West which would change the incidence of the tax. For that reason, the amendment to the motion for third reading should not be received.

Hon. Marcel Lambert (Edmonton West): I wish at this time to limit my arguments to the points raised by the Government leader of the House; I do not intend to cover other points which Your Honour may have in mind. If there is any question in Your Honour's mind as to the propriety of this amendment I am tempted to request that, before I begin addressing you as to the acceptability of the motion, you might indicate the areas—

Mr. Speaker: Order. I appreciate the suggestion made by the hon. member for Edmonton West. He is referring to the fact that I have already had a number of conversations with him during which I indicated what reservations the Chair had in mind in connection with the proposed amendment. As he knows, and as I suggest to the House now, this proposed amendment would appear to be an infringement of the financial initiative of the Crown. Substantially, the objections are those which have been raised by the President of the Privy Council. I would certainly welcome any argument which the hon. member for Edmonton West might care to advance in support of his contention that the amendment as drafted at the present time should be put to the House.

Mr. Lambert (Edmonton West): That is fine, Mr. Speaker. At the time I spoke to you it was not clear you were limiting your objections to the one point; it is just as well to clarify that question so that we may not be arguing in a void.

To deal, first of all, with the propositions advanced by the hon. member for Rose-dale, I would say that the citations which bear on this point all refer to the resolution stage. If we turn to the citations in May's 17th and 15th editions, we find that everything there is related to Beauchesne's 276(1); they all refer to the resolution stage and there is nothing in the text at all dealing with third reading. In addition, with regard to Beauchesne's 263(2), may I say that this, again, deals entirely with the question of the resolution. I have examined some of the record and I recognize that a private member cannot at any time advance any