

Income Tax Act, 1986

tion, and I would say that they do not change the incidence of taxation and should be allowed to stand.

Mr. Deans: Mr. Speaker, I am a little puzzled by the interjections of my friend and colleague, the Government House Leader.

With reference to his initial dealing with Motion No. 1, I would argue that any amendment brought forward at the report stage clearly will bring about the result of changing the Bill in one way or another as it was at the time it was introduced for second reading. You cannot move an amendment to a Bill without the passage of it in one way or another altering the Bill.

Quite clearly, since you cannot move amendments at second reading, the only place amendments could be moved would be in the committee or subsequently at the report stage.

To suggest that an amendment is improper because it would in one way or another alter the Bill which was before the House at second reading, is an argument that surely could never be sustained.

Mr. Hnatyshyn: That is not what I argued.

Mr. Deans: My colleague says it is not what he argued. The problem is that it was intended only that an amendment would be considered out of order at report stage if it altered the principle of the Bill. I would contend and submit that neither of the amendments proposed by the Hon. Member for Saint-Henri-Westmount (Mr. Johnston) alter the principle of the Bill.

● (1150)

Quite frankly, there are many principles in this particular Bill; it is an omnibus Bill. However, it does not alter the principle which pertains to capital gains; it qualifies the principle. I would argue that an amendment is in order if it qualifies the principle, if it says that the principle can be applied but subject to the following. In effect, that is exactly what both the amendments of the Hon. Member for Saint Henri-Westmount do. They say: "Yes, you may do what you are saying you want to do, but it can only be done in the following way and to the following classes of property".

Therefore, I suggest that the argument of the Government House Leader, though imaginative, certainly ought not to stand.

Finally, I would agree that if Motion No. 2 were to be ruled out of order, Motion No. 3 would automatically not be put. However, I do not accept for one minute that Motions Nos. 1 and 2 should not be put to the House. I contend that they are legitimate amendments put in the proper place and follow the proper course set out for dealing with amendments.

Mr. Gray (Windsor West): Mr. Speaker, if I am not mistaken, this is the first time—and if it is not the first time, it is one of the very few times—that a tax Bill has been dealt with through study in a standing committee and then sent back to the House for report stage and third reading like other

kinds of legislation. If that is the case, I would respectfully submit that the approach of Your Honour to the acceptability of amendments should be one in which you deal with them in a broad, flexible and generous spirit.

The idea that tax Bills would be studied in a standing committee rather than in Committee of the Whole is part of the package of parliamentary reform on which the House has been moving in recent months. It would seem that it would really make meaningless the idea that tax Bills should be given detailed study in a standing committee and then sent back to this Chamber for report stage and third reading, if the idea that amendments could be made to those tax Bills would be interpreted so narrowly that in fact no amendments would ever be receivable.

Therefore, I submit very strongly that in the context of the spirit of parliamentary reform, Mr. Speaker, you should look upon the acceptability of amendments in a broad and generous spirit and not attempt to see whether in some possible or theoretical sense they go against the principle of the Bill. If amendments were not expected to be acceptable at report stage when we are dealing with a tax Bill, then the Standing Orders should have said so. They do not say so and, therefore, that right should not be taken away through parliamentary interpretation. That is my submission.

Mr. Speaker: Order, please. I will be in some difficulty if we just go on and on with procedural arguments. However, I will recognize the Hon. Member for Mississauga South (Mr. Blenkarn), followed by the Hon. Member for Ottawa-Vanier (Mr. Gauthier), and I will end it there.

Mr. Blenkarn: Mr. Speaker, in respect of the statement of the Opposition House Leader concerning the reference of this matter to the standing committee, may I say that it is perfectly proper that Bills be referred to the standing committees from time to time. This Bill received the same class of treatment in a standing committee as it would have in a legislative committee.

There is an amendment standing in my name; that is a procedural matter in respect of the Bill. There were amendments put in the standing committee. They were voted on and were passed. There were a number of changes made in the Bill, and the amendments are marked in the Bill for report stage debate.

The argument here is that the particular amendments of the Hon. Member for Saint-Henri-Westmount (Mr. Johnston) materially change the nature of the tax imposed and, therefore, are not proper amendments because they go against the principle of the Bill. The principle of the Bill deals with a number of important tax connotations, but they were voted on when the Bill passed second reading stage. The connotations, to be brief, are as follows: Motion No. 1 deals with capital gains relief for individuals, not capital gains relief for every taxpayer. Consequently, the term "individual" was used rather than the term "person". My friend wants to broaden the Bill to give more people relief. He cannot do that because that changes the principle of the Bill.