

Income Tax

Mr. Stevens: Mr. Chairman, I think if the minister were candid he would admit that the government does not wish to make the amendment to help the builder who is not a speculator. These people have made representations to the government on the grounds that they are going to be severely handicapped by the minister's actions.

I should like to touch on something that I have brought up twice before. On both occasions the minister chose not to be candid with the House. On February 10 he said that certain figures I used in this debate were misleading, that they were like comparing apples and oranges. On two occasions I have asked him to point out the discrepancy. He has already admitted that he perhaps misled the House with regard to one set of figures, but he has not commented on the more glaring errors he put on the record of *Hansard* for February 10 to which I have referred.

The last time I raised this with the minister was at page 3199 of *Hansard*, when I again asked the minister if he would correct the mistake that he had put on the record concerning the figures he referred to, but he chose to take no action. Since that time the minister has told me that he would read my remarks and his own, and would hopefully make a further comment. Again I ask the minister for the third time if he is prepared to make any further comment on the matter?

Mr. Turner (Ottawa-Carleton): Mr. Chairman, I have reread the remarks and I have no further comment to make.

Mr. Stevens: Mr. Chairman, this is something I do not understand about the working of parliament. Here we have a minister—he is winking now because he thinks it is a joke—who, according to *Hansard*, has misled this House. Three times in a row he has had the nerve to stand up and say that he has no further comment to make, that he does not wish to set the record straight.

Some hon. Members: Shame!

Mr. Stevens: I do not understand how the government can expect to have the respect of this House and the public when the Minister of Finance misleads the House as he is doing.

The Deputy Chairman: Is the House ready for the question?

Some hon. Members: Question.

The Deputy Chairman: The question is on the amendment to clause 7 proposed by the hon. member for Yorkton-Melville.

● (1630)

Amendment (Mr. Nystrom) negatived: Yeas, 20; nays, 49.

Mr. McCleave: Mr. Chairman, I regret having to stand up on a question of privilege arising out of the vote taken just now. To my knowledge at least one member voted who was not inside the curtain when Your Honour called the vote. I believe, from what my colleagues tell me, that others did the same. I think such conduct is reprehensible. I note that when a person on our side entered, those on the

[Mr. Turner (Ottawa-Carleton).]

other side were quick to note his coming in. He obliged, went out and did not take part in the vote. We point out that we saw some members enter. I am looking at the hon. member I have in mind. I was sorry to see him doing that. My colleagues saw others do the same. I think such conduct is reprehensible and unworthy of the dignity of this chamber.

Some hon. Members: Hear, hear!

The Deputy Chairman: I thank the hon. member for raising the point he just raised. All hon. members, of course, will be aware of the provisions of Standing Order 12(2), which reads:

When Mr. Speaker is putting a question, no member shall enter, walk out of or across the House, or make any noise or disturbance.

Mr. Paproski: On a point of order, Mr. Chairman, I think hon. members should rise and declare themselves if they were not in the chamber when the vote was called. I think those two hon. members ought not to be included as taking part in the vote.

Mr. Symes: Be honest, stand up.

The Deputy Chairman: The question is on clause 7, as amended.

Clause 7, as amended, agreed to: Yeas, 73; nays, 25.

Clause 9, as amended, agreed to.

The Deputy Chairman: The question now is on the amendment to clause 35.

Amendment (Mr. Turner (Ottawa-Carleton)) agreed to.

Clause 35, as amended, agreed to.

On Clause 37.

The Deputy Chairman: Shall the amendment to clause 37 carry?

Mr. Andre: Mr. Chairman, I will not take up the time of the committee but want to add one comment on the matter of deductibility of capital depreciation and other development expenses, as this question relates to Canada's proven recoverable reserves of petroleum. I think all recognize that we face a potentially serious shortage of petroleum production in Canada. In the near future we may become net importers. This necessitates our increasing the volume of proven recoverable reserves. One of the most promising ways of increasing proven recoverable reserves quickly is by using enhanced recovery techniques in existing reservoirs. These involve development expenses in connection with the drilling of extra wells and the use of water flooding and miscible flooding techniques.

The minister must recognize that changes in taxation policy affecting development expenses will have an impact on the promotion of enhanced recovery methods which need to be adopted to increase our proven recoverable reserves. I hope the minister will consider allowing the deferral of these expenses until costs are recovered because, in view of what could happen, it would be a shame if government action were to compound an already serious situation to do with security of supply. I therefore hope the government will be flexible and consider the possibility of eliminating some taxes, or amending certain