

*Inquiries of the Ministry***SOUTHERN MANITOBA—SOFTBALL GAME ON
PARLIAMENT HILL IN AID OF RELIEF FUND**

On the orders of the day:

Mr. Daniel McIvor (Fort William): Mr. Speaker, on a question of privilege, on behalf of the flood relief fund of Manitoba I should like to express appreciation to those who called off a parliamentary dinner tomorrow night, thus giving hon. members an opportunity to come to the softball game on Thursday and bring their pocketbooks.

EXTERNAL AFFAIRS**ECONOMIC ASSISTANCE TO SOUTH AND SOUTHEAST
ASIA—SYDNEY CONFERENCE**

On the orders of the day:

Mr. Gordon Graydon (Peel): I should like to ask the Secretary of State for External Affairs when he expects the Minister of Fisheries (Mr. Mayhew)—I would have directed the question to him, but he is not here this morning—to be able to give the house a report on the Sydney meeting?

Hon. L. B. Pearson (Secretary of State for External Affairs): I am not quite sure. I will consult with my colleague, the Minister of Fisheries, and see if we can get his report to the house at an early day.

BUSINESS OF THE HOUSE**PRAIRIE FARM ASSISTANCE ACT AMENDMENT—
SITTINGS OF AGRICULTURE COMMITTEE**

On the orders of the day:

Mr. J. A. Ross (Souris): I should like to ask the Minister of Agriculture if he will see that the third reading of the amendments to the Prairie Farm Assistance Act is called at a time when the committee on agriculture is not sitting, because that matter is interlocked with the Canadian wheat board report. The other day these amendments were being dealt with in the committee on agriculture in another room while we were debating amendments to the Canadian Wheat Board Act here in the house. Many members are interested in both matters.

Right Hon. J. G. Gardiner (Minister of Agriculture): The chairman of the agriculture committee spoke to me a moment ago, and I think his intention is that if this legislation comes up in the house he will adjourn the meeting of the committee while it is being discussed.

ELECTRICAL AND PHOTOMETRIC UNITS**DEFINITIONS IN ACCORDANCE WITH
RECOMMENDATIONS OF INTERNATIONAL
COMMITTEE ON WEIGHTS AND MEASUREMENTS**

Right Hon. C. D. Howe (Minister of Trade and Commerce) moved the third reading of

[Mr. Prudham.]

Bill No. 265, respecting the units of electrical and photometric measure.

Motion agreed to and bill read the third time and passed.

INCOME TAX ACT**CONCURRENCE IN SENATE AMENDMENTS**

Hon. Alphonse Fournier (for the Minister of Finance) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 177, to amend the Income Tax Act.

Mr. Macdonnell (Greenwood): Will the minister make a statement on these amendments?

Mr. James Sinclair (Parliamentary Assistant to the Minister of Finance): These amendments, which the Senate made, were made at the request of the Minister of Finance (Mr. Abbott) because of instances which had been drawn to his attention between the time of the passage of the income tax bill in the house and its introduction in the Senate.

I can describe them generally as being in two groups. First of all, there are the Senate amendments relating to charitable foundations. There was a provision in the bill, as passed by the house, namely, section 21, which required that ninety per cent of the income of a charitable foundation had to be paid out as donations to charitable organizations. It was found that some of these charitable foundations themselves carried on charitable activities. The Senate amendment provides that the ninety per cent requirement may be fulfilled either by direct expenditure by the foundation itself on its own charitable activities or by gifts to other charitable organizations, or by both. The purpose of the original amendment passed in the house is unchanged; that is, the requirement that a charitable foundation cannot unduly accumulate its income but must pay out at least ninety per cent of its income on charity each year.

I will give an example of one of the foundations which was affected. The Canadian Cancer Society is a charitable foundation within the meaning of our act. This society, however, spends considerable of its income itself on educational propaganda with regard to cancer, and also makes a direct contribution to the Canadian Cancer Institute, a charitable organization which finances research. There is an example of a foundation which engages in charitable work itself, and also makes gifts to other charitable organizations.

The main purpose of the amendment with regard to charitable foundations is to permit a charitable foundation to make not only gifts to charitable organizations—that is, the organizations described in subsection (ea) of this