

*Income Tax Act*

would be regarded as ordinary or normal medical expenses.

**The Deputy Chairman:** Order, please. I am advised that the Chairman of the committee is ready to make his ruling on the amendment proposed by the hon. member for Winnipeg North Centre. I think it would be best to leave it to the committee to decide whether it prefers to hear the ruling now or at eight o'clock, and to call it six o'clock now.

**Mr. Knowles (Winnipeg North Centre):** Mr. Chairman, are you privy to this at all? Do you know how long it would take? If it would take four or five minutes we could have it now, but if it would take ten minutes I suggest we should hear it at eight o'clock.

**The Deputy Chairman:** My understanding is that it might be a five-minute ruling.

**Some hon. Members:** Six o'clock.

**Some hon. Members:** Now.

**The Deputy Chairman:** The Chair cannot call it six o'clock unless there is unanimous consent, and there does not seem to be unanimous consent. But if we invite the Chairman of the committee to make his ruling at this time, I hope the committee will agree to sit beyond six o'clock.

**Some hon. Members:** Agreed.

**Mr. Knowles (Winnipeg North Centre):** If you keep on talking, Mr. Chairman, it will be six o'clock.

**The Chairman:** Order, please. I am prepared to make the ruling now although I admit that, as the Deputy Chairman indicated, it may take six or seven minutes. I should like to leave it to members of the committee to decide whether they want to hear the ruling now or at eight o'clock.

**Some hon. Members:** Six o'clock.

[Translation]

**Mr. Laprise:** Mr. Chairman, as it is now six o'clock, it would be better to wait for your ruling until eight o'clock, when we will be much more inclined to understand it.

[English]

**The Chairman:** It being six o'clock, I do now leave the chair.

At six o'clock the committee took recess.

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**AFTER RECESS**

The committee resumed at 8 p.m.

**The Chairman:** Order, please. When the committee rose at six o'clock the Chair was prepared to make a ruling on the motion of the hon. member for Winnipeg North Centre. Hon. members will recall that I had asked the committee the privilege of considering the motion of the hon. member, the arguments made in support of it and the

arguments made in opposition to it, earlier in today's sitting.

It might be helpful if I began my comments by reading the motion. It was moved by the hon. member for Winnipeg North Centre:

That Bill C-259 be amended at page 277, (a) by deleting the figure "\$1,500" from lines 12, 37 and 48 and by substituting therefor the figure "\$2,000", and (b) by deleting the figure "\$1,350" from lines 13 and 38 and by substituting therefor the figure "\$2,000", and that the rates of tax provided in the proposed section 117, on pages 305 to 312, be adjusted to provide revenue equivalent to the revenue lost by changing the exemption levels as herein provided.

At this time I took the matter under advisement. Because of the importance of the proposed amendment and after taking into account the obvious care and thought put into its preparation, the Chair sought and obtained leave of the committee to take the question under study. I would assure the hon. member that I have given careful and earnest consideration to his proposal. At the outset of my study I endeavoured to reconcile one authority with another, but inevitably it seemed that I could do no better than refer to a decision of Mr. Speaker which in my opinion bears directly on the point at issue.

If I may be permitted, I should like to put in my own words—I want to do this before referring to the ruling of Mr. Speaker so that we may consider it in the context of the motion made by the hon. member for Winnipeg North Centre—what I consider to be the purport of the proposed amendment. It seems to me that the hon. member's proposal would increase the exemptions and as a result thereof, as stated in his proposal, the rates of tax provided in proposed section 117 on pages 305 to 312 of the bill would have to be adjusted to provide revenue equivalent to the revenue lost by changing the exemption levels provided in the bill.

With the leave of the committee I should like to read from the proceedings of the House as recorded at pages 188 and 191 of the *Journals* of the House for December 11, 1969. Before I do this I would suggest that hon. members who are familiar with the arguments made earlier today on the procedural acceptability of the motion of the hon. member for Winnipeg North Centre note that the various authorities referred to in those arguments are dealt with by Mr. Speaker in the ruling to which I shall now refer. That authority is as follows:

The order being read for resuming debate on the motion of Mr. Gray, seconded by Mr. McIlraith,—That Bill C-155, An Act to amend the Excise Tax Act, be now read a third time and do pass.

And on the motion of Mr. Lambert (Edmonton West), seconded by Mr. Dinsdale in amendment thereto,—That all the words after "That" be struck out and the following substituted therefor:

"Bill C-155 be not now read a third time but be referred back to the Committee of the Whole with instructions that clause (i), paragraph numbered 10 be reconsidered to provide an air transportation tax on a flat fee basis to be determined by the committee as providing an equivalent return to and in lieu of the tax therein provided".

That was the motion that Mr. Speaker had for consideration. I now come to Mr. Speaker's ruling where he said:

We all recognize that if this amendment was accepted as put to the House it would have a rather far reaching effect in that it would be a new principle. I recognize that we should not be afraid to accept a new principle simply because of the fact that it is new,