

Income Tax

Mr. Deans: I am sorry to interrupt, Mr. Chairman, but I do not want to pass without having pointed out that, although the Minister may have been considering the possibility of asking for unanimous consent, he did not do so. I would not want him to assume that it was not forthcoming without the question being asked. It may well be that the Hon. Member for Mississauga South is not of a mind to grant unanimous consent, but I think he should be required to indicate that, rather than it just being assumed that is the case.

Mr. Cosgrove: Mr. Chairman, I would, for the record, formally request consent of all Hon. Members to reopen Clause 16 to deal with the amendment.

Mr. Blenkarn: Mr. Chairman, we are dealing with Clauses 8 and 9. There have been a number of suggestions with respect to what the Minister may or may not do because the Minister, in his damnable effort to force this Bill through this House in an unrealistic time-frame, decided to force votes and then made fun of the fact that he won those votes. He then decided to force closure on this Bill. There is an opportunity, perhaps later in the discussion today, to talk about the matter, and there certainly is an opportunity in the other House of Parliament for the Government to bring in that amendment.

The Government has suggested that lawyers be defined as "notaries" or notaries be defined as "lawyers". I have had an opportunity to discuss that matter with the Canadian Bar Association, with my own Bar Association, and they are horrified that this Government would try to define lawyers as notaries. That was the first proposition.

With respect to the other propositions, we have a countervailing proposition for the Government. It knows that proposition. If it wants to deal realistically with this matter, it can do it; but I want to advise the Government at this time, through you, sir, that a Government which thinks it is a dictator can think it is a dictator, but somewhere along the line it will have to obey the rules of its Parliament.

The Deputy Chairman: I have a proposal put forward by the Minister of State for Finance to the Committee of the Whole for unanimous consent to permit the Committee of the Whole to consider Clause 16. I must take it that the Hon. Member for Mississauga South by his words has indicated he is refusing unanimous consent.

At this point, unless some other Hon. Member wishes to rise on a point of order, the Chair will recognize again the Hon. Member for Lethbridge-Foothills. I will give some thought to this matter of time taken out of the Hon. Member's allotment of time in view of the points of order raised.

● (1120)

Mr. Thacker: Mr. Chairman, perhaps the Minister would rise and answer the question why the Bill would have a time limitation now of 1984, which is just a few short months away. Up until now many individuals have not been able to get the applications in place and the financial institutions have not been able to agree because of the general state of uncertainty.

Will the Minister indicate now that the Government's policy is to run that on at least, say, until 1985 or even 1986?

Mr. Cosgrove: Mr. Chairman, I could not, as Government policy, indicate that the Government's plan was to extend the program as requested by the Hon. Member. I reiterate that the plan has only been in place for a few years. In that time the Government has, after analysis of what has happened under the plan, come forward with the amendment before us to target aid to those most in need. As I indicated to the Hon. Member for Parry Sound-Muskoka, the Government will monitor the plan and, if warranted, we would conceivably come in with amendments or extensions. We feel we need some more experience. Although the Hon. Member feels the year is fast moving by, we do have nine months remaining and therefore we want that time for experience.

Mr. Thacker: Mr. Chairman, with great respect I find that unacceptable because we know under the original provision that there was \$2 billion advanced, and under the Government's amendment in 1981 there has only been \$200 million advanced. We are only nine months from the end of the whole program and, as I indicated, many people have had problems applying because the proper election forms were not available to them in the financial institutions. As well, the Minister knows full well that the next budget is going to be perhaps in April. That will take months and months to be passed, the year will have expired and we will be into a new year and the chances of this being put into a new budget and being passed are small. So we are going to continue this incredible process of uncertainty. While it might be fine for us to sit here in this peculiar fairyland, this ivory tower, it is really totally unsatisfactory to the people who are living and working in this country and producing wealth that we sit here and so readily redistribute and waste what they have produced. So I urge the Minister to reconsider that.

I would like to take the Minister to Clause 9(e) where it points out that the bond must be issued in cases of financial difficulty. That is causing great difficulties as well at the grass roots, practical level for the small-businessman, rancher or farmer trying to take advantage of it. Would the Minister stand and make a definitive statement as to what the Government means by financial difficulties?

Mr. Cosgrove: Mr. Chairman, I am advised by my officials that, contrary to the opinion of the Hon. Member, the definition of that Section and its practical application are well known. Section 15.1(3)(b) of the Income Tax Act reads as follows:

● (1125)

(iv) the obligation is issued by the corporation

(A) as part of a proposal to, or an arrangement with, its creditors that has been approved by a court under the Bankruptcy Act

(B) at a time when all or substantially all of its assets are under the control of a receiver, receiver-manager, sequestrator or trustee in bankruptcy, or

(C) at a time when, by reason of financial difficulty, the corporation is in default, or could reasonably be expected to default, on a debt held by a person