

Inquiries of the Ministry

However, in view of the many representations which were received on the inadvisability and unfairness of this approach, we switched to an over-all annual look, and this has been the policy of the department since.

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a supplementary question for the Minister of Industry. I should like to ask him whether a review has been made of the criteria for designation in the Kelowna-Penticton area in British Columbia.

Mr. Speaker: Order, please.

INCOME TAX**INCLUSION OF GRATUITIES PAID TO RETIRED MINERS**

On the orders of the day:

Mr. Donald MacInnis (Cape Breton South): Mr. Speaker, I have a question for the Minister of National Revenue. In view of the statements made some time ago by the Minister of National Health and Welfare, I should like to ask the minister how he can justify the inclusion for income tax purposes of gratuities paid to retired miners.

[Translation]

Hon. Jean Chrétien (Minister of National Revenue): Mr. Speaker, I should like to take that question as notice and I will answer the hon. member tomorrow.

[English]

Mr. MacInnis (Cape Breton South): Mr. Speaker, I rise on a question of privilege. My translating equipment is not working, so would the minister mind repeating his answer?

Mr. Speaker: Order, please. I might tell the hon. member that the minister indicated he will take the question as notice.

AIR TRANSPORT**APPLICATION FOR SERVICE TO NORTH SHORE OF NEW BRUNSWICK**

On the orders of the day:

Mr. Jean-Eudes Dubé (Restigouche-Madawaska): Mr. Speaker, I wish to direct a question to the Minister of Transport. As the air transport board meets tomorrow to license an air carrier to serve the north shore of New Brunswick, will the minister make sure that modern, daily passenger service is made available from the already established Charlo

[Mr. Drury.]

airport at Dalhousie and other airports in the area?

Mr. Speaker: Order. The hon. member is making a representation.

INCOME TAX ACT

The house resumed, from Thursday, February 15, consideration in committee of Bill No. C-193, to amend the Income Tax Act—Mr. Sharp—Mr. Batten in the chair.

The Chairman: Order. When the committee rose on Thursday, clause 5 was under consideration.

On clause 5—*Temporary surtax*.

Mr. Barnett: Mr. Chairman, I realize there has been considerable discussion on clause 5 of the bill, and many of the things I might say about it have already been said, so I do not intend to repeat them at this time. However, I have been looking at the clause rather carefully and it appears to me there is an obvious inconsistency in its drafting. Of course I do not know just where this oversight has taken place, but perhaps the minister may be able to explain it.

I should point out that clause 5 contains part IA, and that immediately below the heading there appear the words "Temporary Surtax". A good deal of publicity has been given to the idea of a temporary surtax, but I find on reading the clause that it appears to have a misleading title because subclause 2 at the bottom of page 4 makes it clear that this is by no means a temporary surtax. The subclause reads:

(2) This section is applicable to the 1968 and subsequent taxation years.

In my view this clause provides for a permanent tax which can only be changed by a further amendment of the act by parliament.

I am drawing this to the attention of the committee and the minister because I believe that somewhere along the line an error must have been made in the drafting of the bill, particularly in view of the emphasis the minister has placed from time to time on this being a temporary surtax. Yet the subclause as drafted makes it quite clear that this is a permanent tax subject only to some future amendment of the legislation by parliament.

I need hardly remind the committee that in the original income tax act this was called a temporary tax for wartime purposes during world war I. Yet all the events that have taken place since then have made it clear that