

Hon. Mr. CAMPBELL: It seems to me that when we consider the language employed in the drafting of the bill we run up against the question of exactly how the measure is going to work. Before we reject this new basis of allowances contained in sections 7 and 8, we must decide whether or not the principle involved is proper and beneficial to the community as a whole. It is desirable in that I think it provides a more workable and flexible piece of tax legislation which will have the effect of eliminating the objectionable ministerial discretions which the public protest so often.

I have a great deal of sympathy with anyone who tries to interpret this legislation. I know the officers of the department who are here will agree that a piece of legislation of this kind, which tries to spell out a law which has formerly been handled by ministerial discretions, must be complicated, and the regulations under it must be involved. I venture to say that irrespective of how long this matter stands, that unless the committee is willing to take the advice of the law officers and perhaps chartered accountants who are engaged in this type of practice, that it is a feasible and workable piece of legislation, it will never be passed. I do not think anyone who is inexperienced in tax matters can possibly read these sections and understand the meaning of them. Further, I do not think it is possible to draft any law to be so clear and concise as to show the proposition of law on which allowances are to be made in cases of this kind.

It seems to me that if we are going to accept the principle and consider this new piece of legislation, we should pass it with the assurance from the Minister and the Department that when it is put into effect should they find any great hardship or situations arising to which the law does not properly apply, there will be an opportunity for us to consider the question further next year.

Hon. Mr. NICOL: We will have the regulations.

Hon. Mr. CAMPBELL: With great respect, I am sure the regulations will not help the members in the interpretation of the sections, and to understand fully the meaning of their application.

I am sure there will be many problems arise under this new legislation, after it is passed. There always have been problems under our tax law. We in this house made an extensive study of tax laws two years ago, and I think the report brought down at that time was beneficial and helpful in enabling the department to bring forward last year an income tax act which was certainly a considerable improvement over the old act. The proposed legislation represents a step which could not be embodied in the act at that time.

I am convinced that so far as industry and business generally in the country are concerned, that the principle of this proposed legislation is good. I do not say that it will work as well in the case of individual property holders who buy property for investment purposes, carry it for five or ten years and then dispose of it. I would suggest that before the committee decides to reject these particular clauses of the bill, that we should hear from the Minister of Finance, and that we should give serious consideration to the proposal I make now, namely, that we accept the principle of the bill and adopt the legislation with any changes that we think are necessary; and further that we ask that the matter be thoroughly considered and if it is the wish of the house, a special committee could be set up to study the workability of this measure when Parliament meets at the next session.

Hon. Mr. EULER: Did I understand Senator Campbell to advise the committee to pass this legislation, but that he did not understand it.

Hon. Mr. CAMPBELL: No.

Hon. Mr. EULER: That is what you said. You said that you did not understand the bill but that you advocated its passage.

Hon. Mr. CAMPBELL: I say we must understand the principle of the legislation.