

Income Tax Act

Mr. Lambert (Edmonton West): This is going to be part of some of that bludgeoning that they do. Some of it is bull-headed, but it is bludgeoning, in order to correct some minor type of inequity. Are we going to tell the Canadian president or manager of a foreign-held subsidiary producing a product which we do not make, that we are putting him out of business, that we are going to tax him at 50 per cent from now on?

I find that the tax changes at this time are inadequate for many reasons, Mr. Speaker. We are being caught up in this tangle whereby this House cannot deal with economic issues unless we swallow this whole bill in one indigestible gulp, acknowledging to the government that, through necessity of dealing with other matters, we will skip over this. That is what they would like. If that is the case I am going to move, seconded by the hon. member for Saint Hyacinthe (Mr. Ricard):

That all the words after "that" be struck out and the following substituted:

This House deeply concerned with unacceptable levels of inflation, persisting unemployment and stagnant industry and conscious of the necessity for meaningful tax reform declines to give second reading to a bill which does not provide sufficient stimulus to the economy of Canada with appropriate tax cuts and incentives, does not contain adequate tax exemptions and is not calculated to materially improve business and labour conditions in Canada now or in the foreseeable future.

Subject to your views with regard to the nature of this amendment, Mr. Speaker, I would like to continue my remarks after we have had a consideration of it. If Your Honour wishes to put the amendment, I will be quite happy to conclude my remarks after you have done so, but in the interval I would hope that I could continue my remarks.

Mr. Speaker: Before putting the amendment to the House, it would be helpful if the hon. member or anyone else interested might enlighten the Chair as to the acceptability of the proposed amendment. I might say, *prima facie*, it looks like a substantive proposal rather than an amendment, but I would be pleased to hear what hon. members have to offer to the Chair by way of guidance.

Mr. Lambert (Edmonton West): Thank you, Mr. Speaker. I welcome the opportunity to try to assist you in accepting this amendment.

First of all, may I repeat an argument that I made the other day, that we are under new rules and that reasoned amendments should be acceptable at second reading. It must be remembered that on this bill this is the first opportunity for debate. This bill had its origin in a resolution passed before this House without debate or amendment. The provision of rule 60 is such that the minister is empowered to bring forward a bill. That is the motion; it is not the budgetary proposal that antedated it. The motion starts with the ways and means resolutions which were not the subject of debate. This, then, is the first opportunity for debate.

I put it to you, Mr. Speaker, that in order to have debate there must be a joinder of issue; there must be an alternative to the principle. There is a joinder of issue when we consider the matter of the principle of second reading of this particular bill. These I have outlined. We declined to read the bill and from a procedural point of view I find it

extraordinary that this type of amendment in this House would not be accepted, whereas in the procedure from which we draw our inspiration or, shall I say, our origin, this type of amendment is a commonplace. I would say that certainly the House can express its concern about "unacceptable levels of inflation, persisting unemployment and stagnant industry". That does not introduce a new principle into this particular bill.

• (5.30 p.m.)

We come to the tax bill being conscious of the necessity for meaningful tax reform, but we decline to give second reading to this bill because there is insufficient stimulus to industry contained in the provisions and the amendments to the tax bill. I find it difficult to understand how one could give reasons for being opposed to the bill and still be penalized. This is the point we were making the other day when the hon. member for Winnipeg North Centre (Mr. Knowles) presented a reasoned amendment on another matter.

Is a six months hoist a reasoned amendment? I ask that question in a rhetorical way. Is a motion that the bill be not now read a second time, that the contents be referred to not another committee but to committee of the whole, a reasoned amendment? When a reason for an amendment were added to one of those referral amendments the other day, that portion was chopped and the referral accepted. I find this difficult to understand.

Under these rules, Mr. Speaker, Beauchesne is of little help. I say this with fond memories of the position Your Honour is occupying at the present time and the difficulties I faced in those earlier historic times deciding how far Beauchesne should or should not be used. The interpretations of the rules contained therein go back to a time that even my grandfather would not have known.

If we consider the changes in the House and in the rules today, I submit that now is the time when reasoned amendments can and should be put forward. At the report stage of a bill the amendments to individual clauses are put forward for consideration. That is the change that can be made at that time. On third reading the only amendments that can be made are a six months hoist or referral back to a particular committee for study, not a reasoned amendment such as we are now putting forward.

I hope I have covered some of the ground to assist Your Honour in determining whether this type of amendment is acceptable. Some of my colleagues and other members of the House wish to express themselves, so I will yield the floor.

Mr. Speaker: The hon. member for Peace River (Mr. Baldwin).

Mr. Lambert (Edmonton West): On a point of order, Mr. Speaker, I am yielding the floor only on the point of order.

Mr. Speaker: I realize this. I appreciate that the hon. member has further remarks of substance to make.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I see that I have outfumbled the parliamentary secretary. We are back on the old battleground which we have traversed so often. I think this time we are on pretty good ground. We