

General's recommendations because they are based on proper ways and means resolutions. However, in this case the recommendation of the Governor General is specific and narrow. It recommends to the House the appropriation of public revenue in the circumstances, in the manner and for the purposes set out in this measure. As I say, that applies to the spending aspect of this bill, Part III, which is not a normal part of a tax bill at all. It is an appropriation bill, and I do not see how it can be argued that a Governor General's recommendation which covers the spending provisions in Part III gets away from the fact that an ordinary tax bill must have as its base a proper ways and means resolution. I agree with the Deputy Prime Minister that we do not expect every "t" to be crossed and every "i" to be dotted in ways and means resolutions, but there have been sufficient rulings in the past that, so far as a tax bill is concerned, it should be supported by a ways and means resolution.

I contend that subclauses (2) and (3) of clause 30 of the bill go beyond ways and means resolution No. 13, and that Your Honour should so find. I repeat myself by saying that I do not see how a Governor General's recommendation approving the expenditure portion of this bill can be taken as *carte blanche* for the government to make any other changes it wishes to make in the bill itself. If it had not been for the Governor General's recommendation I would have argued that Part III of the bill is completely out of order and that we would have to get that recommendation.

These things are in the hands of the government. We are talking about ways and means resolutions and about recommendations from the Governor General as though they were hard to get. We know they are not. The government can get them any time, but still there are the niceties of our rules and the procedural points that are laid down, and it has been clearly established that if the government is going to spend money, it has to have a recommendation from the Governor General. If the government is going to impose a tax—and this goes back to section 54 of the British North America Act—it has to have a ways and means resolution.

● (1612)

Therefore, I submit the points made by the hon. member for York-Simcoe and the hon. member for Edmonton West are valid. This bill is imperfect in the sense that subclauses (2) and (3) of clause 30 are not based on any ways and means resolution which has been presented to or passed by the House.

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, earlier I had a discussion with the hon. member for York-Simcoe (Mr. Stevens). As a way of exemplifying the situation, on April 10 the Minister of Finance (Mr. Chrétien) had a certain pot of X millions of dollars in mind. This pot was to be divided in a certain fashion. As a result of the changes and the division into two tax years, we now find a person who was resident in the province of Quebec as of December 31, 1977 will be entitled to an \$85 rebate, whereas that person may have moved to the province of Ontario on January 15, 1978 and will receive a second advantage by way of the 3 per cent

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reduction in provincial sales tax for the six-month period following April 10. If that person is to benefit twice, once in 1977 and once in 1978, then someone else will lose if it is the same pot of money. That exemplifies the problem the government has as a result of dividing it into two tax years, which is different from the original motion.

Mr. Speaker: Order, please. The point raised by the hon. member for York-Simcoe (Mr. Stevens) of course is a serious one which deserves very serious consideration. The arguments which have been presented are similar to ones which were presented in the past when this difficulty arose—the relationship between the ways and means motion and the ultimate tax measure itself.

I want to examine the precedents, including the ones referred to by the hon. member for York-Simcoe and particularly the hon. member for Edmonton West (Mr. Lambert), and the more recent case referred to by the Deputy Prime Minister and President of Privy Council (Mr. MacEachen). I will endeavour to make a decision on this as soon as possible.

I know I ought not to anticipate this, but I doubt very much that the remainder of the time available this afternoon will be sufficient to cover all discussion which might take place. Therefore, in the meantime perhaps the matter can go forward this afternoon while I have this question under review. Of course, I will endeavour to bring a decision to the House as soon as possible.

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Mr. Baker (Grenville-Carleton): Mr. Speaker, I realize what business is called is at the discretion of the government. We are dealing with a matter which is quite fundamental to dealing with this bill in parliament. It is a very serious matter in that sense. It is regrettable that there may have been an error, or on the other hand, there may not have been. One way or the other, Your Honour has been put in the position of legitimately reserving judgment on a matter which is fundamental to the right of government to introduce a bill and proceed with it.

I respectfully suggest that what we all want to accomplish could be accomplished in another manner. For the balance of today and until Your Honour renders a judgment, the government could call the customs tariff bill. Earlier I indicated that we are prepared to proceed with that bill. The debate is under the general direction of the hon. member for Edmonton West (Mr. Lambert). We should not assume that we can start debating the bill in view of what happened in the House today. Respecting the government's position, we do not know whether the government will negotiate. I think the government indicated that it will negotiate. It is not fundamental to proceed in this manner, especially when there is other business which the House can properly deal with.

I do not want to hold the government up in terms of business. I am not suggesting that the House close down while