

The Budget—Resolutions

in certain specified uses such as the mining industry and the oil and gas industries. We have here, mainly in items numbered from 410a to 410z, a mixed bag of rates which were intended, when they were introduced, to give concessions to the industries named but some of which, due to the change of other tariff rates, now act in fact as obstacles. Accordingly I shall be asking the tariff board to review this particular group of tariff items.

In addition I shall also be assigning three tasks of much smaller dimensions, but of some urgency and difficulty, to the board. One relates to a small group of rates of special concern to the few firms in Canada which undertake the decoration of chinaware and glassware. The Department of Finance has had substantial correspondence on this subject over several years and, since we have not been able to work out a solution that is acceptable to all parties, a reference will be directed to the board.

Second, I am asking the board to review the tariff items under which plans, drawings and blueprints come into this country, some duty-free and others dutiable. The standing committee on estimates last year drew attention to the problems involved and I now propose to refer the matter to the tariff board.

Finally, certain producers have drawn attention to the substantial and rapidly rising imports of nails and to certain anomalies in the duties applicable to these imports. Accordingly, I shall be asking the board to review and report on the tariff items relating to this product.

SUMMARY AND CONCLUSION

The net effect of all the amendments I am proposing to our taxing statutes will be to make no measurable change in the estimate of total revenues for 1960-61, which I presented to the house earlier this evening. The amount of tax relief accorded by some amendments will be approximately balanced by the increased revenues from others. The total loss of revenue from the relieving amendments could add up to as much as \$2 million, and the increased revenues from blocked loopholes and clarified definitions are likely to be of about the same amount. While these changes on balance do not affect total revenues they nevertheless represent significant improvements in the fairness of our tax structure.

(Translation):

The past year has witnessed an extraordinary resurgence in the economic strength of the western world. Canada has shared generously in this remarkable progress. Today she is stronger, more developed and more united than ever before.

The abiding goal of our fiscal policy is the maintenance of a sustainable rate growth in terms of employment, development of resources, and a sound dollar. This year's budget, devised to meet the conditions and needs of 1960, will I believe, effectively serve this goal. It is my hope that this balanced budget will strengthen the economic and financial structure of Canada, impart renewed confidence to Canadians in their future, and give fresh impetus to the enterprise and initiative of our people. With courage, self-discipline and self-reliance Canadians will meet the challenges of the new decade.

(Text):

The past year has witnessed an extraordinary resurgence in the economic strength of the western world. Canada has shared generously in this remarkable progress. Today she is stronger, more developed and more united than ever before.

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RESOLUTIONS

INCOME TAX ACT

Resolved that it is expedient to introduce a measure to amend the Income Tax Act to make provision in respect of a new class of profit sharing plans under which

(a) amounts allocated by the trustee shall not be included in the income of an individual who is a beneficiary under the plan until the year in which they are received,

(b) no tax shall be payable by the trustee under the plan on the taxable income of the trust,

(c) an employer may deduct in computing income for the year an amount which when added to his contribution, if any, under a registered pension fund or plan does not exceed \$1,500 per employee.