

Income Tax Act

sport and recreational organizations remember that their Member of Parliament said: No, we are not going to study that. You do not need financing. Manage on your own. No, Mr. Speaker. Those organizations play a very important role in Canada, and I think it is very important not only that the committee examine that matter in order to give the same privileges to sport organizations at the provincial level but that we also consider sport, recreational, cultural, social organizations at the local level, Mr. Speaker.

When I see this government, the Prime Minister (Mr. Mulroney), the Minister of Finance (Mr. Wilson), the Minister of "social injustice", the Minister of National Health and Welfare (Mr. Epp) in Canada, supported by the Parliamentary Secretary, the Hon. Member for LaSalle (Mr. Lanthier), I ask the question: Do the Canadian people want to go on paying for tax benefits, tax havens which cost billions of dollars and which benefit the rich? That is the question. Can we go on like this, Mr. Speaker?

In conclusion, I wish to congratulate the Hon. Member for St. Boniface (Mr. Duguay). He can count on the support of Liberal Members against people like the Parliamentary Secretary and the Hon. Member for LaSalle who, without stating his opposition, has eloquently read the speech prepared by a public servant. I look forward to hear a speech of his own some time, stating what he really thinks, and to study the matter and to help all these organizations, all these voluntary people, because they play an important role for our youth, for older people, for people in the cultural area. I think it is very important to agree to the motion before us, Mr. Speaker.

[English]

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, that is quite an act to follow. I congratulate my hon. colleague, the Member for Montreal-Sainte-Marie (Mr. Malépart). I also want to congratulate the Member for St. Boniface (Mr. Duguay) on bringing forward a motion that is long overdue. Sports and athletic organizations play an important role in the communities, small towns and rural areas of Canada.

There is usually no assistance from the federal Government for these groups. People in the communities should be encouraged to support these very worth-while organizations, whether in amateur hockey, soccer, baseball, fastball, gymnastics or riding schools. These organizations provide a legitimate outlet for people who are genuinely interested in pursuing some form of sports or athletic activity. An incentive could be provided through the tax system by identifying these organizations as legitimate charities to enable donors to receive a tax benefit. There is no one in the House who would say that these organizations do not provide good work in their communities.

I am concerned that once this motion passes through the House and is referred to the Standing Committee on Finance, Trade and Economic Affairs, that will be it. From what I have heard in the few short minutes during which we have debated this motion, I can say that government Members will vote against this Bill because we cannot afford it. They will say that we cannot afford the few millions of dollars that it will cost the

federal coffers to assist thousands of small communities of Canada to build up their amateur sports organizations. I can hear them saying it now, Mr. Speaker. If that is not the case, I will eat this paper on my desk when the motion returns to the House in the form of a Bill. That is a promise. I just cannot believe that Members opposite will volunteer to spend additional money.

I phoned the Department of Finance today and asked what they thought of this motion. They said that they have some concerns because of the tax expenditure aspect of it. They said that since we have a big deficit in the country we cannot afford these things, but that they would look at it.

• (1740)

Mr. Comeau: Who did you talk to?

Mr. Riis: I talked to officials in the Department of Finance, to respond to the Hon. Member.

However, there has been no discussion about the fact that the Government falls all over itself trying to raise a few tens of millions of dollars to help out a bank when it gets into trouble. Also, it can find a few million dollars overnight in order to help a trust company.

What about a corporation like Domtar? That is a profitable organization but it wants a few tens of millions of dollars. Yet the Minister of Regional Industrial Expansion (Mr. Stevens) can find that amount of money overnight for a corporation that is not in financial difficulty. I could go on and on with more examples.

Corporate tax expenditures alone cost the taxpayers of Canada in excess of \$18 billion. When we talk about corporate tax expenditures in this country, we are not talking about small or medium businesses, because 80 per cent of the \$18 billion goes to 1 per cent of the companies in Canada. We know that those companies are ones like the Bank of Montreal and Imperial Oil. My hon. friend, the Member for Montreal-Sainte-Marie, has already indicated that although many banks make hundreds of millions of dollars in some years, they pay no tax. Individuals who earn in the vicinity of \$500,000 a year pay no tax. However, Hon. Members opposite say that we cannot afford to provide assistance to the small athletic organizations in our communities. They say that we cannot afford to provide assistance to small business in the country.

However, let us look at the reality of our corporate tax expenditures. The businesses that often support athletic organizations in our communities are almost inevitably the corner stores and small plants in our towns. They are the ones that come up with the \$100 donations and sponsor the Little Leaguers with their baseball uniforms. The multi-nationals cannot afford it because they must balance their balance sheets on a quarterly basis. Essentially, the small business sector is being penalized by our corporate tax expenditure system. When these organizations request support, I suspect that the Government says that it cannot afford to provide assistance.