

Excise Tax

league and neighbour, the Hon. Member for Oxford (Mr. Halliday). In doing so, I support the fundamental principle in the motion, that of the collective response of our communities to human need, and, in specific cases, to emergency situations.

As Members of the House and the public will recall, the motion arises out of the situation of August 7, 1979, when disaster struck southwestern Ontario in the form of two tornadoes. The result was a loss of some \$13.5 million, of which only \$5.7 was covered by insurance, leaving a shortfall for the community to cover of some \$7.8 million.

The federal riding of Waterloo adjoins Oxford and I know a great number of the citizens, particularly out of Wilmot Township, Wellesley and other areas, gave of their time voluntarily, led by the example of the Mennonite tradition of self-help and community input, in the repair and restoration of the communities affected by this particular disaster.

● (1730)

The motion before the House is not binding but calls upon the Government to give consideration to the fact that it will be seen to be identifying with the best aspirations of our communities—to assist one another and to rebuild. One would have thought that the Hon. Member for Kent (Mr. Bossy) would have wished to have been here because that kind of initiative, even if the Government feels there is another alternative, not only affects this area but other areas as well. I believe the Member for Kent would agree that this has caused a community trauma.

The motion before us focuses on the excise tax of 5 per cent on building materials. However, since this motion deals with the ethics or morality of taking tax from people who have fallen victim to natural disasters, I suggest that the motion is not locked into considering that as the best vehicle. If there are other suggestions, as has been suggested by Members opposite during informal discussions and in previous debate, this would be a signal to those caught in this sort of circumstance.

I am pleased to encourage positive consideration of this motion by the House and I support my colleague for Oxford (Mr. Halliday). The root question in this motion is the role of the Government in protecting people from those things from which they cannot protect themselves, particularly when there is not adequate protection to encourage the best instincts for sharing and self-help across the communities.

Members of the House will be aware that the Government of Canada does have a disaster relief program in place but in most cases it is insufficient and attains a low level of recognition among most Canadians. I believe it is apparent that the rebate as proposed in the motion would not pose a technical problem vis-à-vis federal and provincial jurisdiction. The federal Government already gives rebates in relation to schools and hospitals, so that technically this could be done.

If this is not the particular way to give the signal, I think the subject could be opened up for discussion. As I understand the remarks made in the debate earlier, the Government's position is that the administrative problems for this proposal would be considerable and it would therefore not wish—as we would not

wish—more paperwork or burden of this kind to be put on the taxpayers.

The problem is that the tax as proposed would be assessed on the value of goods shipped by the manufacturer of the building materials. By the time these goods pass through the hands of wholesalers and retailers for their ultimate use, the tax would have long since been paid and become imbedded in the price of the materials. For this reason, the Government maintains that it is difficult to ascertain how the refund can be made or to determine the amount that should be refunded.

Instead of a tax refund, it suggests that expenditure programs are preferable. Again, we could debate this in terms of philosophy but it could be noted that many expenditure programs are more costly and administratively complex than tax rebates.

The philosophical question to be raised and addressed is what is wiser in terms of community help than leaving resources in the hands of the people, that they finally understand what their priority needs are and be in the best position to address their time and energy in that area. If these needs are not appropriately addressed, there is a sharing of the responsibility with the people so that all the blame does not fall on the Government's shoulders if remedies do not fully meet their expectations.

Therefore, I view the motion in front of us as one which involves providing incentives by the best motivation in our community, which is caring and accepting responsibility for our community and its life. I see it as a motion which seeks to undergird citizenship and the best sense of citizenship by using the resources that are available, giving oneself to others who are in need and having a sense of pride.

I also compare this motion to others which have been before the House in terms of being an affirmation of voluntary action. Some weeks ago, a Bill which I presented to the House, C-233 in support of the voluntary sector, called upon the Government to give signals to those who were prepared to give of themselves in and through voluntary groups. This is another illustration of the importance and the signal of that motivation.

With this in mind, and since there is a division of opinion within the Government as to how best to do this, I would like to move, and I encourage Members of the House to consider, the following motion in order that the substance and purpose of the motion presented by the Hon. Member for Oxford could be considered in the context of the Government's discussion paper on charitable activity. This is in relation to the discussions about the give and take tax proposals which are an incentive. It may be that there is another incentive method that could be applied in certain circumstances like this.

Therefore I would move:

That the motion be withdrawn and the subject matter thereof referred to the Standing Committee on Finance, Trade and Economic Affairs.

I believe the Hon. Member for Capilano (Mr. Huntington) is prepared to second this motion.