

*Interim Supply*

It is in this sense that I say this is a government which is not giving the full support it should give to its Secretary of State for External Affairs. This is the essence of what the hon. member for Burnaby-Coquitlam was saying.

**Mr. Nesbitt:** Mr. Chairman, in view of the remarks of the hon. member for Skeena I should perhaps add by way of explanation that in the disarmament plan presented to the disarmament committee at Geneva about a year ago, the western plan in its second stage envisaged participation of all militarily significant states. I think this successfully answers the point made by the hon. member for Skeena.

**Mr. Howard:** Would the hon. member tell us what the first stage is?

**Mr. Nesbitt:** It would take some time to go into details. There were several stages. The plan presented by the west at that disarmament committee was presented before the Soviet union walked out. These plans are a matter of record, and the hon. member or anybody else who is interested can easily obtain them.

**Mr. Howard:** If you related to them you would defeat your own argument.

**Mr. Regier:** I have not completed my remarks and I think they should be completed. I indicated that if this government is prepared to go to the country we will be very happy to grant them interim supply, but unless they go to the country they are unworthy of receiving interim supply.

I have especially in mind the attitude of the government in the matter of income tax. We say there are many loopholes, well known to this government, which exist in the Income Tax Act. We have repeatedly appealed to this government to plug those loopholes, but the government has not acted. I am now speaking personally and not on behalf of my own party, but I should like to see all exemptions for charitable contributions abolished. I believe that if I want to make a contribution to my church or to my favourite charitable institution I should be prepared to do so without wanting to cash in on any benefits which may be available under the Income Tax Act. I have received many complaints on this subject, and there are many leading and responsible Canadians who feel that the public treasury is being rooked annually of hundreds of millions of dollars because of these particular concessions.

I believe the government has failed and is unworthy of interim supply. I believe it has failed to adequately protect the public treasury. We say the Income Tax Act ought to be

amended. There ought to be increases; there ought to be reductions. We have long favoured an increase in the level of exemptions allowed under the Income Tax Act.

**The Acting Chairman (Mr. McCleave):** Order. The hon. member for Burnaby-Coquitlam has put forward arguments which more properly should be, and probably were, made in the debate on the Income Tax Act which was recently considered by this committee. I think perhaps brief references are in order in making his point, but there should certainly not be a full scale debate on a topic which has been previously debated this session.

**Mr. Regier:** I understand your ruling, Mr. Chairman, and I think it is most reasonable in the light of recent debates that have been held. However we also feel that this government is unworthy of interim supply unless it is willing to go to the people because of its arrogant attitude in the matter of international trade. This government is guilty of violating at least the principle, if not the letter, of GATT by device after device, session after session. The spirit of GATT has been broken by this government. They have been increasing tariffs on each and every possible occasion. I will admit at once they have not always done it by direct methods.

**Mr. Macdonnell:** May I ask the hon. member a question? I am genuinely surprised, in fact, I am amazed to hear what he has just said, because I have believed, and I have been told, that our reputation in the matter of the observance of GATT is almost unrivaled. I think that if the hon. gentleman is going to make statements of that kind he should give chapter and verse for them. I am convinced that he is wrong and I think he should not make statements of that kind unless he can give us the evidence.

**Mr. Regier:** The only evidence I can call are the repeated statements of the Minister of Finance. On each and every occasion when he has amended the Customs Tariff he has announced that this is designed to increase employment in Canada; in other words, an increase in tariffs in order to protect, as he sees it, Canadian industry. The minister usually accompanies his announcement that tariffs are to be increased on a limited number of items with the statement that there is to be a decrease in the tariff on even more items. But we have to consider what items are involved in the increases and the decreases. The decreases may well have nothing to do with our international obligations.