

*Income Tax Act*

do not agree entirely with the details of the measures presented. I am familiar with the precepts set down by Mr. Edmund Burke which are probably those followed by most hon. members. I may say these precepts are so highly regarded by the hon. gentleman in the other place who sometimes writes editorials for one of the Ottawa newspapers, as to be held almost sacrosanct. Burke would say that having encompassed a belief that a bill is for the good of the country as a whole, a member is not a delegate of his constituents but was in parliament to do as he thinks best for the nation as a whole. That was the gist of his great Bristol speech. If we accept that principle then, at this time, I should have to sit down.

However, Mr. Chairman, I believe that in a federal state such as ours a member is to a far greater degree a delegate of his constituents than he is in a unitary state such as Great Britain. I do believe that even though a member may agree with the legislation and with the leadership of his party, he does have a duty to speak for his constituents. When he is a member of the government party, this is always a difficult choice, the choice between duty to his constituents and loyalty to his party. I feel it my duty to point out to the minister, and I hope that my words may have some effect, the slight defect in the measure, as compared with the measure as a whole, which affected my constituents.

I refer in particular to that provision which is, to some degree, to the detriment of my constituents, relating to the designated areas and the manner in which those areas are selected. I appreciate fully that this is something new, a new approach in keeping with the policies and philosophy of this government. They have moved boldly into a new field, and in so doing they have been honest enough to admit that at times they have not achieved perfection overnight. I suggest that in this area there is room for improvement, there is room for development. I am going to take the liberty of suggesting an area in which there is room for improvement. I think the method by which these designated areas have been selected has, at least in isolated instances, brought inequity to certain municipalities. I point, in this case, to an editorial in the *Renfrew Advance*. It is the follow-up of a great deal of editorial and news commentary in the newspapers in my riding. While I do not hold a slavish respect for the press, at times they are right. I suggest that this editorial is a correct one. The editorial is entitled, "Depressing", and reads in part as follows:

The "distressed area" legislation planned by the federal government has, like many programs of

this government, run into criticism. And whether or not the legislation is any good, very obviously, the reasoning whereby the slow growth areas were chosen for special assistance in Renfrew county are downright silly.

As pointed out by industrial commissioners here "if Deep River is a depressed area, then Renfrew is a ghost town".

Deep river, of course, falls within the national employment area centering on Pembroke but it is obviously not a community desperately in need of special tax assistance as proposed by the legislation. Yet it qualifies for special assistance and tax concessions.

It is probably difficult to define exact areas of need but statistics or not, we cannot see how Renfrew county can be divided into two areas, one prosperous and the other depressed. It is just not possible.

I suggest that the rules of the game, as they were conceived, resulted in just this situation. We certainly have a contradiction here. For instance, the municipality of Deep River, which as hon. gentlemen know is the home of atomic energy projects, probably never had any unemployment. On the other hand, the town of Renfrew has striven valiantly to attract industry. It has appointed industrial commissions, hired industrial commissioners, and has done everything possible to attract industry. It is not easy to attract industry into areas such as the Ottawa valley. I point to the statistics which show that in the year 1894 the population of the town of Renfrew was 2,568; in 1901, 3,153; 1930, 5,019, and in 1962, 8,555.

I suggest that this surely indicates better than any words of mine could that this is a slow growth area. When this legislation was promulgated it was obvious that some means had to be found whereby these depressed areas might be defined so that the benefits of the legislation might be given as soon as possible. It was equally natural that the standard to be used would be the unemployment insurance areas or the national employment service areas, as I think they are properly described. This was a standard that the Department of Labour had used, and with which they had been working for many years.

However, these areas had not been set up in the first place as a means of deciding whether or not an area would get tax incentives. This consideration had not entered the matter at all. Often the areas grew up haphazardly. There is a possibility that some of them grew up through political considerations, or as a result of the facility for travelling for unemployment insurance officers. However, now they are being used to determine who gets the benefits. Inequities are bound to result from this situation, but I hope such instances are isolated and I believe they are.