

*Income Tax Act*

● (1710)

**Mrs. Collins:** I am pleased to respond to the Hon. Member's comment. It concerns me somewhat that there has not been enough discussion about the measure on capital gains, introduced some time ago. I think it is totally consistent with the four pillars of our Government of economic renewal and social justice. I might just remind the Hon. Member that people talk about the measure being up to \$500,000, meaning you have to be wealthy to take advantage of it. But this measure also applies to many middle, even lower-middle class people who have small investments and who buy a few shares in a company. If they get a little gain, they will be able to keep that gain tax free. The measure is certainly helping many people that I know in the middle-income level with a piece of property. They are encouraged to buy some property because they know they can get the benefit. This is the very measure that we feel is helping to create a positive environment for individuals to take risks and create wealth. It encourages investment, particularly in Canadian companies across the land. I just wish more Canadians would invest. I think the possibility that they can make a capital gain without it being taxed is just the kind of incentive they need. We need to talk about this more to encourage people to take advantage of the opportunity. What we are doing is providing opportunities for Canadians to participate in the growth and the wealth of Canada.

**Mr. Parry:** Mr. Speaker, I would ask the Hon. Member to take a longer term look at child benefits and compare them with the present measure which, as I and my Party have said, is one that we support. Will she compare the impact of this prepayment with the erosion to the real value of child benefits which will occur if the 3 per cent peg is kept in place, the peg which the Government has instituted?

**Mrs. Collins:** Mr. Speaker, as the Hon. Member knows, the amount of child tax benefits will be increasing each year. Given the excellent economic policies of the Government, we have also been able to keep inflation at a very low level, so there will be some growth, certainly in the benefit received by families, in the child tax payments which are planned over the coming years. There is a good sense of proportion there.

**Mr. Cochrane:** Mr. Speaker, I have just a comment or two on my colleague's statements, the Hon. Member for Capilano (Mrs. Collins). The thing that perhaps excites me the most is that this measure it takes away the unsavoury side we saw accompanying the child tax credit, namely, the tax rebate discounters. When families have a limited amount of money, and certainly these families do, it is encouraging to see the Government taking action which will keep as much of that money as possible in the hands of the recipients.

The Member's comments with regard to British Columbia would also apply to my constituents and other constituents throughout the Province of New Brunswick. We would have proportionately a larger number of people in that income group affected positively by the change. I want to echo the

same comments from the East Coast that my friend has echoed from the West Coast, that this measure is beneficial to all Canadians.

I too have seen some of the effects of our caring Government and some of the positive effects of the Job Entry Program. Once again I would like to add to what the Hon. Member has said in that it has changed attitudes of people who have had the opportunity to take part in these courses. Personally I have gone to six graduations, and over 80 per cent of the graduates have found work in our communities as a result of the extra experience and work-related activities they have enjoyed through that program. It is not just a West Coast phenomena, the effect will be enjoyed by Canadians across the country. On behalf of my constituents I am most excited and enthusiastic about the initiative taken by the Government in Bill C-11.

**Mr. Caldwell:** Mr. Speaker, I would like to ask a very brief question of the Hon. Member for Capilano (Mrs. Collins). I know of her concern regarding women's and children's issues. I was pleased to hear her say that she felt this move by the Government would cut down on the number of tax discounters now in operation. Does she feel that tax discounters will be on their way out or will there simply be fewer in number? Is there any possible way that tax discounters could get hold of this money?

**Mrs. Collins:** They are not going to be able to get hold of this money, Mr. Speaker. This money will go in a cheque directly to the recipient delivered by Canada Post. There is no problem about that part. We looked at this issue of the future of tax discounters last year. We discussed whether they should be outlawed entirely, but we are a free society. If there is a demand for certain services, I am not sure we should be saying they are not allowed if people want to use that service and are prepared to pay for it. As the Member will recall, we have limited the rates they can charge so the rates cannot be usurious. I think Members will find, as I mentioned, that about 50 per cent of tax discounters' business in the past has been dealing with this child tax credit. Obviously that business will decline. Some may not stay in business at all. Many are also involved in helping to prepare income tax returns. Probably those that are well respected in their communities and are providing a service in some other areas will continue in business. Others may not be able to.

**The Acting Speaker (Mr. Paproski):** Are there any other questions or comments? Does the Hon. Member for Winnipeg North Centre (Mr. Keeper) have a question?

**Mr. Keeper:** No, Mr. Speaker.

**The Acting Speaker (Mr. Paproski):** Debate. The Hon. Member for Winnipeg North Centre.

**Mr. Cyril Keeper (Winnipeg North Centre):** Mr. Speaker, I was just curious as to whether the Chair preferred a question to a speech.