

Income Tax Act

Mr. Ricard: However, I shall continue and put on the record the few remarks I wish to make with regard to the measure before us.

Mr. Macdonald: Another broken promise of your leader.

Mr. Ricard: Of the government, yes.

Mr. Macdonald: Of your leader.

[*Translation*]

Mr. Ricard: Mr. Chairman, if one looks at the way the bill was drafted, one can find several flaws. To give one example, the communities that need the least assistance, in proportion to the number of unemployed to be found there, will actually be the ones to get the most. For instance, if we consider the amount of help Ontario and Quebec can get, we see that Ontario will be able to obtain \$160 million, while Quebec will only be granted a loan of about \$115 million.

Statistics for the month of September show that Ontario had 72,000 unemployed, while there were 108,000 in the province of Quebec.

If you take the maritimes, with a total population of approximately two million, you find that this part of the country, which usually has the greatest number of unemployed, is the one that will get the least assistance from the federal government.

To give the house some further information, I might say that the maritime provinces will only be able to receive around \$40 million. On the other hand, the prairie provinces, where there is hardly any unemployment, will be entitled to \$70 million under this measure designed to curb unemployment.

Mr. Chairman, I will have to say it again, not for the pleasure of it but rather because it is my duty to do so. We are studying at present a piece of legislation which was prepared in a hurry and which does not take the needs of the people into consideration.

In order to illustrate what I mean I should like to refer to a recent newspaper report which gives the opinion of the Quebec minister of municipal affairs, Mr. Pierre Laporte, who said, as reported in *La Presse* of October 30 last:

I repeat that the provincial government still considers that agreement as an expedient.

Now, Mr. Chairman, you will agree with me that if the minister for municipal affairs of the province of Quebec feels that this measure is only an expedient, it means that the provinces expected much more from a government, from a Minister of Finance who had led us believe that, once in power, they would quickly solve all our problems and would eliminate unemployment by granting the municipalities and the provinces all the help they expected. But the facts must be

faced and they are not as reassuring as the Minister of Finance (Mr. Gordon) would like us to believe. And we are unfortunately obliged to point out again and again to the minister the defects in the act.

If the government had thought things over instead of acting with such haste, if they had really considered some fair legislation before presenting it to the provinces, they would have first prevented a general outcry on the part of four of them and then, they could have set criteria much fairer for the municipalities.

Without entirely discarding the demographic criterion, I think it should be replaced by the average number of unemployed people. Seasonal unemployment could be taken into account in order to apply suitable remedies.

Mr. Chairman, this legislation originally designed to alleviate unemployment only takes into account the location of unemployment in its enforcement, and if the minister actually wishes to serve the people in general, if he really wishes to help the municipalities and the provinces, he will act as he did before, he will withdraw this legislation and direct his officials to study all its features in order to offer to the house and the population a measure which will actually be free from the shortcomings and the flaws which we find in the legislation which we are being asked now to carry.

Mr. Chairman, I hope that the minister, if he is really prepared to discharge his responsibilities, will take into consideration the few remarks I just made and that he will review thoroughly this measure so that it serves the purpose for which he intended it at the outset.

[*Text*]

The Chairman: Shall clause 1 carry?

Mr. Douglas: Before clause 1 carries I should like to say a few words. The measure before us has two main features, and I want to say only a few words about each of them.

The first feature has to do with giving certain tax concessions to those companies 25 per cent of whose shares are owned by Canadian residents. I was surprised to hear the hon. member for Digby-Annapolis-Kings describe this the other day as an anti-American measure. I have the feeling that the Conservative members have great difficulty in making up their minds as to what they think about the government's handling of Canada-United States relations. On Monday, Tuesday and Wednesday they accuse the government of being subservient to the United States by taking instructions from Washington, and on Thursday, Friday and Saturday the government is anti-American because