

### Supply

financial stringency we see governments at various levels opting out of the kind of support they have given for necessary universal programs and leaving them to the private sector. For those of us who believe in a more equitable society and who believe that it is the responsibility of government to meet the needs of the people, this is a horrible lesson taken from President Reagan. It is bringing into Canada some aspects of what has been termed Reaganomics.

Let me illustrate, Mr. Speaker. In many cases voluntary agencies are being asked, urged and used by right-wing provincial governments to substitute for government-provided professional services which, up to now, have been paid for by government and provided by unionized and relatively well paid employees. I will give a couple of examples from the Province of British Columbia. In Kamloops, British Columbia, Tranquil Home, which formerly employed 600 staff, has now been shut down by the Social Credit Government of British Columbia. The Government has given the role of caring for young retarded adults and children, which was the job of Tranquil Home, to the Kamloops Association for the Mentally Retarded, with large responsibility for handling cash payment given to homes taking in children.

● (1220)

There are dangerous implications in this, Mr. Speaker, for the patients in that and other facilities who need special services. Also in British Columbia, Mr. Speaker, there have been similar cuts in daycare funding by the Social Credit Government. A contract was given to the YWCA, which tried to run the daycare program as best it could. That meant it used non-union help, who were paid very little more than the minimum wage. This attempt failed but marks the direction in which voluntary agencies are being pushed in replacing the jobs of full-time social agency workers.

In the few moments I have left I would like to come back to a question which I raised with the Secretary of State (Mr. Joyal) and point out the difficulties which have arisen in the somewhat mysterious—and I will use no stronger language—interpretations which Revenue Canada has been giving in respect of the rights and abilities of voluntary organizations to issue tax receipts which can be used in calculating income tax. This is not something which has just happened recently. It started in 1978, and I quote from the NVO report entitled *Charity Today and Tomorrow*. It reads:

In 1978 Revenue Canada, the Ministry responsible for regulating charitable status, issued Information Circular 78-3, entitled *Registered Charities; Political Objects and Activities*. The circular outlined examples of activities that Revenue Canada considered 'political' in nature, thereby giving grounds for the loss of denial of charitable status. The circular was widely criticized by charitable organizations as limiting their ability to carry out their charitable objects, particularly in the area of advocacy.

In the circular, for example, the object or action of inducing the Government to take a stand, change a policy or enact legislation for a purpose particular to the interest of the organization was defined as "political activity."

—charitable organizations pointed out that it is impossible in contemporary society to work for the attainment of charitable goals without addressing government policy that may hinder or enhance these objectives.

There are all sorts of questions, such as abortion and capital punishment, which can lead to difficulties. The Elizabeth Fry Society, for example, might issue a statement urging continued abolition of capital punishment. Suppose there was a Bill before Parliament, as there have been Private Members' Bills, calling for government to bring back capital punishment. The Elizabeth Fry Society could be in difficulties with Revenue Canada. Churches which support various opposition groups to military dictatorships in some of the Central and South American countries could be in difficulty. OXFAM, for example, Mr. Speaker, is being questioned.

This subject is not something which has just come before us in recent months. It has been before the Government since 1978. The Government has refused to take action and has refused to bring forth a policy which meets present needs. Not only that, Mr. Speaker, the Government has refused to explain some of the decisions which have been made, hiding behind a section of the Income Tax Act which says that income tax matters must be kept private between the person or organization making a claim and the Department. Therefore, Mr. Speaker, we had the ridiculous situation several years ago where I and another Hon. Member of the New Democratic Party tried to question the Minister with respect to the Estimates of the Department of National Revenue. We asked how the Fraser Institute could get permission to issue receipts for contributions which could be used for income tax purposes while other organizations, which have other points of view and in fact are much less strenuous in their advocacy than the Fraser Institute, have not been able to get the same status. We were told by the Minister that he could not answer the question because these matters were privileged.

That is just not good enough, Mr. Speaker. When this committee meets, and I am happy we are going to have a committee, some of us are going to try to find out who made these decisions. Were these decisions made by some bureaucrats who were interpreting laws which, in my view, they had no right to do? Or were they receiving advice and recommendations from the Ministers concerned? These questions strike at the very root of the problem. The Minister has enunciated some very fine sentiments, but we have not seen any action. We want to know whether charitable organizations are going to have the real independence which they ought to have or whether the Department or the Minister, whoever it is, is going to be able to pick and choose as they have been doing until recently.

We in this Party support this motion. However, we want to say to the Hon. Minister and to the Government, we are going to have some pretty tough questions to put when that committee meets.

**The Acting Speaker (Mr. Guilbault):** Questions, comments? Debate.

**Mr. Douglas Roche (Edmonton South):** Mr. Speaker, I believe it would be appropriate from now on to call the Hon. Member for Waterloo (Mr. McLean) the "two hundred thousand dollar man" because he put a motion on the Order Paper