

*Income Tax Act*

this afternoon require only very brief comment. One would have thought that if the matter loomed in their view in proportions of such importance as they have attempted to assign to it this afternoon they would have had something to say about it in committee of the whole last night but only one member of the C.C.F. had anything to say about clause 8 in the committee last evening, and that hon. gentleman made only two brief interventions which were replied to.

**Mr. Argue:** Do you want a filibuster?

**Mr. Fleming (Eglinton):** So what was not very important last night, not even sufficiently important last night to call for comment by more than one member, not sufficiently important to call for amendment last night, not sufficiently important to call for an adverse vote last night, suddenly this afternoon acquires an importance in the eyes of hon. members of the C.C.F. that they would have the house believe it assumed in their eyes hitherto, although it certainly has not appeared that way.

It was said by the hon. member who introduced this amendment that they had not had explanations of this matter. Mr. Speaker, they have had explanations now on I think four occasions, explanations at some length; therefore, the statement that there has not been explanation is just not a true one. They may not agree with it but they have not said so up until now. The first of those explanations of this bill, Mr. Speaker, was given in the course of the budget speech. It will be found in *Hansard* of April 9 at page 2421. It is there set forth very clearly. In *Hansard* of May 4 it will be found again, and in *Hansard* of yesterday, and if I am not mistaken in one other place as well. Therefore, the statement of the hon. member who introduced this amendment this afternoon, Mr. Speaker, simply does not fit the facts.

If we had not introduced the amendment that is contained in clause 9 of this bill we would have been inviting a situation to continue which would have contemplated a veritable hodgepodge in Canada. It was necessary to introduce some uniform and equitable rule. As I pointed out on previous occasions, the only way in which this situation could be dealt with equitably is in the manner proposed in clause 8, because there is no uniform way in which the provincial contribution to hospital insurance is covered in the different provinces of Canada. There are two provinces which have not yet become parties to any agreement in pursuance of the terms of the Hospital Insurance and Diagnostic Services Act. In other provinces you have a great variety of ways in which the provincial share of the cost of the hospital insurance

scheme is provided. In some provinces it is by means of an individual contribution; in other provinces it is by means of a sales tax. In the light of this variety of conditions in different provinces, Mr. Speaker, it was necessary to find an equitable solution, and the one we have proposed is the only solution which offers equitable treatment to all parts of Canada.

We heard such a heart-rending expression from C.C.F. members this afternoon, Mr. Speaker. Their hearts were not rent last night; their hearts were not rent on this subject on previous occasions but this afternoon, somehow or other, they seem to be taking time in putting on a show of broken hearts.

What is the fact, Mr. Speaker? They say that people who have the misfortune to incur medical expenses are, somehow or other, going to be deprived of their opportunity to claim the right to deduct medical expenses from their taxable income. That is not true, sir. Anybody who has medical expenses, apart from hospital bills to which the federal government contributes in accordance with the provisions of the Hospital Insurance and Diagnostic Services Act, loses nothing of his present right of deduction under the terms of the act. This is the only way in which the present provision in regard to the deduction of medical expenses is affected by the bill now under discussion. What are we doing when they weep over the fate of persons who are losing something under this bill? The fact is, that the federal government is this year offering \$160 million for the assistance of just those people, so that persons of the kind for whom the tears were shed, those crocodile tears, this afternoon are not going to have to pay for hospital services of the kind provided under the Hospital Insurance and Diagnostic Services Act.

In order to provide an equitable solution, in the face of this hodgepodge of conditions across Canada, Mr. Speaker, it was necessary in this way to say, and say very simply, that where those bills are paid under the contributions to the Hospital Insurance and Diagnostic Services Act they cannot be claimed twice over in this way; you cannot have the benefit twice over. All that this subtracts from the people of Canada is \$3 million this year and \$9 million in a full year. Against that we put up \$160 million. That is our answer to these nonsensical crocodile tears.

**Mr. Argue:** What a phony show.

**Hon. J. W. Pickersgill (Bonavista-Twillingate):** I had not intended to speak until I listened to this hypocritical speech. If the Minister of Finance (Mr. Fleming) would come out honestly and say that he was doing