

*Criminal Code*

Montreal could not be forced to take back the thousands of dollars he has distributed through his lottery, nor could he be forced to return to all those who purchased tickets the two dollars he received from each of them. He could not be forced either to dismiss all employees who run the lottery.

For all those reasons, Mr. Speaker, I believe there is nothing we can say against the lotteries now being operated in the province of Quebec and in Canada.

That is one of the reasons why I approve the amendment moved by the hon. member for Winnipeg North Centre, even if I have not spoken in favour of it. I support the amendment because it simply deletes paragraphs (a) and (b) of clause 13 and leaves charitable organizations free to operate lotteries.

So, whether one is for or against clause 13, that will not have much effect on what presently takes place in Canada.

We are asked to amend the Criminal Code in order to legalize lotteries operated by the federal government, the provincial governments and the municipalities, for certain reasons.

But that has been going on for many years, on the pretext, for instance, of helping municipalities to carry out their administrative duties.

We are told that they could help hospitals to meet their obligations.

Those are not valid arguments, in my view, because there are other means, more efficient and much more equitable, of realizing the same objectives.

• (5:30 p.m.)

If the government has yielded to pressures, it was in order to satisfy the numerous requests made by the provinces. To obtain new fields of taxation, the provinces come to Ottawa, not once but two or three times a year.

Municipalities make pilgrimages to their capital city to get from the provincial government greater powers of taxation.

So, faced with reiterated representations from the various public bodies of the provinces, the government which is no longer willing or able to give such powers, now offers them this indirect form of taxing the Canadian citizen.

Mr. Speaker, I believe this method of disguised taxation is unfair because even a

[Mr. Laprise.]

brief study of income tax will show that is entirely different.

Our fiscal system is based on two distinct sources of revenues: taxes on the income of individuals and corporations, and excise tax.

Mr. Speaker, I recognize the merits of the first method, but I deny those of the second, because it is used to levy indirect taxes, both on those who are unable to pay and those who can, while the personal income tax could be set up in such a way as to tax only those who can pay.

Mr. Speaker, when I say that I support an income tax system, I mean that we should leave the worker enough take-home pay to allow him to provide a decent living for his family. That is why we urge that the amount of non-taxable income be raised to \$5,000 a year, at least, for married persons.

In my opinion, this way of imposing a disguised or voluntary tax is unjust, because it affects even those who cannot afford to pay taxes.

This new method of taxation is unjust and ineffective, because it is too unsteady a source of revenue. It is therefore surely impossible to use that means of taxation. If we want to allow municipalities to use that tax system—Mayor Drapeau of Montreal was in a position to realize it—no municipality will be able to prepare a reasonable budget based on revenues from a lottery.

This is why we cannot rely on receipts from lotteries to replenish municipal funds or help finance hospitals.

In my opinion, the lottery system is not valid, since changes to the tax structure should be made through adequate legislation based on the opinion of tax specialists, as is advocated by the Carter report and other official documents.

Mr. Speaker, if we are to develop a taxation system, I suggest we should proceed in an orthodox way so that people may know exactly where they stand. This is why I wanted clauses 12 and 13 to be deleted or clause 13 to be amended.

Another reason that made me bring this motion forward is that if a province is permitted to set up its own lottery system, another province cannot be denied that right. Can you imagine what would happen if all ten provinces decided to organize lotteries. It would be a mad competitive rush for the citizen's dollar. Provincial governments would be at each other's throats, and so would the inhabitants of the various provinces, who