

to give tax receipts to people who make contributions, but other organizations such as the alternative policies groups and Canadian Dimensions, which are not nearly as partisan as the Fraser Institute, have been turned down. I would like the Minister to be able to tell us that not only will they talk about organizations being independent but they will deal with organizations and let them be independent.

**Mr. Joyal:** Mr. Speaker, I share the Hon. Member's concern about the need for very clear guidelines for the definition within our legislation of what a charitable organization is, especially one that would be or is registered under Revenue Canada. There is no doubt that that is the very basis of the Government's decision to establish a special joint committee.

● (1210)

As the Hon. Member said, in the last year, we have seen a grey zone arising out of that new phenomenon where, besides some initiatives to lobby on grounds of public interest, other groups have continued to perform their usual functions for which they were first established. That is a new phenomenon and it is part of the kind of society that we have to address. There is no doubt that until that new phenomenon finds its way into legislation with clear guidelines more adapted to the present situation, the difficulties that the Hon. Member has mentioned will remain. That is why I call upon him and his Party to join us in this House to establish this special joint committee as soon as possible. In that way, we will open clear and fruitful discussions on the necessity of defining charitable organizations within fiscal legislation and the kind of guidelines that should follow from those changes to the Income Tax Act.

**The Acting Speaker (Mr. Guilbault):** Debate. The Hon. Member for Winnipeg North (Mr. Orlikow).

**Mr. David Orlikow (Winnipeg North):** Mr. Speaker, I want to associate our Party, the NDP, with the motion put forward by the Hon. Member for Waterloo (Mr. McLean). We have always made it clear that we believe that the basic needs of the people of Canada, whether they be health, social services or the arts and culture, should be met through funding by governments at the federal, provincial and municipal levels. At the same time we realize and accept the plain fact that no government, no matter what its philosophy, could provide all the support which worth-while programs deserve. We have always given strong support to the voluntary sector for the wide range of extremely worth-while and necessary activities and services it has provided to large and small communities in the country.

Voluntary groups in Canada, which include churches, associations and foundations, have historically played an historic role in providing badly needed services to the sick, the poor, the disabled and the uneducated. They were doing that 40 and 50 years before governments accepted their responsibility for providing those services. Today, federal, provincial and municipal governments have established a good record of support in such fields as scientific research, the arts, sports and music.

### *Supply*

All of these groups have support from government but could not have accomplished as much as they have without the financial support and without the time given by hundreds of thousands of Canadian citizens.

Let me illustrate what I am talking about. In the field of health important contributions have been made to research into cancer, multiple sclerosis, heart disease and kidney research. For the arts, voluntary organizations and their members have provided thousands of hours of assistance and hundreds of thousands of dollars for activities in the fields of music, ballet and theatre. Programs for hockey, baseball, track and swimming could not exist or progress as they have done without the financial support and the time given to them by hundreds of thousands of Canadian citizens.

Coming from a multi-ethnic constituency as I do, I realize the contribution made by the ethnic organizations in maintaining and promoting the cultures which they, their parents and grandparents brought to this country and all of which go to making it a better country in which people of all races and religions can live.

The voluntary organizations have been concerned about the treatment they have received from the federal Government for a number of years. They have been calling on the Government to change the Income Tax Act so that in respect of contributions given for charitable purposes, the Act would not be slanted, as it is now, to benefit most those on higher incomes, those who need the benefits the least. They have called on the Government to change the laws in regard to charitable contributions in order to help people on lower incomes who make those contributions, to give them an incentive and an opportunity to contribute, to give them an incentive and an opportunity to contribute as they would like to and are able to.

Two suggestions were made by the voluntary organisations to the Government and the Minister of Finance (Mr. Lalonde). First, that the automatic \$100 deduction for charitable donations, for which no accounting needs to be given, be eliminated from the Income Tax Act; and second, to permit a 50 per cent deduction from income tax for all contributions made for charitable purposes.

In response to that very reasonable proposal made by representatives of all charitable organizations, the kind-hearted Minister of Finance took away the \$100 automatic deduction. That meant that people, particularly those in the lower income bracket, had to pay more income tax and it gave the Government something in the neighbourhood of \$80 billion in extra revenue. It continued the present system where the person in the lower or middle income person gets a lower deduction than the person on a higher income. The Hon. Member for Waterloo gave the example of a taxpayer earning \$15,000 per year who gives \$200 to charity and gets a \$60 reduction in his income tax and the \$50,000 income earner who gives \$20 to charity and gets a \$100 deduction. That is typical of the so-called just society that the Liberal Government has always espoused.

We support the proposals which the voluntary organizations have made. We are worried, however, because in this period of