

Supply

What was so astounding about the Hon. Member's comments was his statement that voluntary organizations were not as accountable as government for money spent. I wonder if he really believes that. I have in front of me a list of some of the National Voluntary Organizations in Canada. Is he saying that in its expenditure of moneys the Government of Canada is more responsible than the Canadian Council of Christian Charities? Is he saying that the Government of Canada is more responsible in spending money than the Canadian Heart Foundation, the Canadian Mental Health Association, the Canadian Red Cross, the YMCA or the YWCA? The list goes on and on. Is that what he is trying to convey to the House? If so, I would ask him to rethink his proposition very carefully.

The Government's record of support for National Voluntary Organizations through words and statements is good. The intentions are noble—and so was the Secretary of State (Mr. Joyal) today. In the Speech from the Throne on December 7, 1983, the Government again commended "the vital voluntary sector". It was interesting to note that in response to a task force led by Ruth Hinkley, which looked at the future of voluntary organizations and issued a report entitled "Charity Today and Tomorrow", the Government said "The definition of a registered charity under the Income Tax Act and related matters will be referred to a joint parliamentary task force". And that is what the Secretary of State announced today, Mr. Speaker, a joint parliamentary task force to look at the whole question of charities.

The point I make is this. We now have in place many registered charities that have functioned in this country for a long time. In this House I have raised questions, and as recently as March 26, in the adjournment debate, about what is a legitimate activity of a registered charity. Is a registered charity to be defined only in the narrow 16th century concept of British common law? That is that basically a charity's only function is to give charity to those in need. Should we look at the definition in a broader sense and say that registered charities not only have a function but have an additional or equal function.

I am absolutely convinced that our society is a better society today because of the voluntary organizations. I am absolutely convinced of that, Mr. Speaker; I know that our communities are better for them. But in so doing, these organizations have been putting forward moral views, ideas on how society should function, concepts of where government is wrong, and have been pointing out that certain legislation will be detrimental to our society. So I ask the Government if that is a legitimate activity of a registered charity. You see the problem we run into, Mr. Speaker, when the Government has the responsibility for setting the criteria. That is the philosophical difference that I have with the Hon. Member for Mississauga North.

Let us look at a practical example of what happens when the Government sets all the criteria. A church has a certain reason for its existence; it has a group of adherents, they have a certain statement of faith and it is because of that statement of faith that people voluntarily join it. Now let us suggest that there is a piece of legislation that absolutely violates the

statement of faith of that church and its adherents, and that the church is a registered charity. That church comes out very strongly and publicly against the legislation, saying it is wrong and pointing out that it will have a detrimental effect on society. Is that a legitimate activity of a registered charity? I would say yes.

Let me go back to a letter written by Miss A. A. Conway on behalf of Revenue Canada dated March 1, 1984. I have already put this on the record at page 2447 of *Hansard* as follows:

We would comment that in our view while it would be acceptable for a religious organization to take a public stand on a moral issue, it would not be acceptable for that organization to engage in a campaign designed to bring pressure to bear upon a government to implement legislative changes or adopt a policy which the organization advocates.

Just listen to that, Mr. Speaker. Are we saying that when these national organizations, some of which I have mentioned such as the churches of Canada, feel that legislation is wrong, then the minute they say so they are in jeopardy of being decertified or deregistered? That is why this debate is so important.

To his credit the Parliamentary Secretary admitted that this was at best a grey area and that the Government does not have a handle on it. I suggest that the task force will not get a handle on it either if the Government does not first accept the fundamental principle that registered charities have a moral role to play within society. What about the give and take proposal? I find it very interesting. The Hon. Member for Mississauga North, who also was at one time the Parliamentary Secretary to the Minister of Finance, said that it is a costly program. Let us examine the details.

● (1550)

First of all, the Government did take 50 per cent of the proposal, namely, it removed the \$100 deduction which previously a taxpayer could deduct without the submission of receipts. That will come into force this year, 1984. It is interesting to note that the Minister of Finance (Mr. Lalonde) when he announced this measure said that he had now accepted 50 per cent of the proposal. Well, Mr. Speaker, it never was the intention of the National Voluntary Organizations to have 50 per cent of the proposal accepted, and that somehow it was better than the system which was in place before. The question then is, if a tax credit of 50 per cent is introduced, what effect will it have on the national treasury? That is a valid question which the Hon. Member for Mississauga North raised as well.

At the present time in Canada, at least from the last records I have, approximately \$900 million is now taken from the tax system by registered charities through receipts. The cost of the tax provision previously was approximately \$500 million to \$550 million, in that order. Therefore, donations would have to rise—if you look at a 50 per cent tax credit—somewhere in the order of \$1 billion to \$1.1 billion to meet the same costs to the Treasury as the old system which was in place. There is no question that, if we adopted the system, we could go above the \$1.1 billion. I fully admit that. And possibly there should be