

*Bonus Bond Draw*

The mention of federal-provincial programs raises another question. What would the provinces say about this lottery bond proposal? Has the Hon. Member sponsoring this resolution looked at the provincial reaction to the new federal sports pool? Provincial ministers have been most vigorous in opposing this federal initiative. They claim it runs contrary to the agreement with the provinces, which was made by the former Conservative Government in 1979. I do not agree that the provinces have a valid objection. However, I am rather surprised to see this kind of proposal from the Hon. Member opposite.

In conclusion, I submit that for a number of reasons, Mr. Speaker, we would not be justified in asking the standing committee to consider this idea. Briefly, the scheme is open-ended and it would be difficult to control the amount of lottery bonds outstanding. Second, it would raise other problems in the management of the public debt, including creating competition against Canada Savings Bonds among small savers. There are no problems in raising funds through traditional methods, so there is no reason, on financial grounds, for introducing a lottery bond proposal. The cost to Government of lottery bonds would not be significantly lower than that of borrowing through traditional securities, when we consider all the additional costs of administration and the cost of tax exemption for lottery winnings. Finally, there are many alternative lottery schemes available to Canadians who want to gamble, and this scheme is not needed for the purpose. I would personally not support the proposal.

**Mr. John Evans (Parliamentary Secretary to President of the Privy Council):** Mr. Speaker, I would like to spend a bit of time discussing the motion which is before us today. I have great difficulty with it. I, like my colleagues on this side of the House, and I am sure my colleagues on the other side of the House, have some difficulty with the notion of a form of gambling as a mechanism for raising public funds for public purposes. Most of the lotteries in the country, Mr. Speaker, have responded to a need. Gambling will go on in the country, and the Government is providing, at least within the context of gambling, a fair and honest outlet for that kind of behaviour. That is fine.

In most cases, Mr. Speaker, the funds which are raised through that type of vehicle are used for purposes in addition

to those which we would consider to be essential public services. Whether the funds are from Wintario, Lottario, the lotteries in Quebec, 6/49 or the sports pool, they are being used for purposes which might not otherwise be funded through tax revenues. Perhaps the taxpayers would not consider those purposes to be of sufficient importance to allow themselves to be taxed to finance them. As a result, forms of pools, lotteries, and other vehicles have been established to raise money over and above the moneys raised through the tax system to fund what we consider to be essential public services.

The Hon. Member's motion suggests that the funds to be raised through a lottery bond vehicle could be used to fund post-secondary education, medical care and so on. I would object very strenuously to that, Mr. Speaker. The day we reach the point when we are willing to finance essential public services such as health care, post-secondary education and perhaps even adequate pensions for our elderly, with a gambling vehicle is the day that our tax system and fiscal policy will have reached an all-time low.

It should be clear that essential public services should be paid for through funds raised via an equitable and fair tax system. We should all bear the burden in a fair and equitable manner for these essential public services which we believe governments should provide to the Canadian public. I think the objective is quite clear that the enticement would be to lower middle-income Canadians as opposed to Canadians at large. It does not seem to me, Mr. Speaker, that we need to find some other new and fancy way of trying to entice these people who can least afford it to provide some subsidization to Canadians at large for post-secondary education, medical care and so on.

Mr. Speaker, I disagree with this approach. I do not think the subject matter of this motion should go to the Finance Committee. We have much more important things to do than to consider this proposal.

[Translation]

**The Acting Speaker (Mr. Herbert):** Order. The time provided for the consideration of Private Members' Business has now expired.

It being five o'clock, the House stands adjourned until next Monday, May 14, at 2 p.m., pursuant to order of Wednesday, April 18, 1984.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.