• (1820)

Every year the unfairness of the tax free benefit increases in value disproportionately to what might be the impact on other Canadians who get raises. There is no doubt it has an impact.

Since the salary of MPs is set up on the basis of income and allowance, some have suggested that we could make the whole thing taxable and increase the pension benefit. I would suggest, the way this bill is proposed, that I am not adjusting the income of MPs. Therefore it has no impact on the pension of MPs. The allowance is exclusive or outside the pension of an MP. If we continue to keep it as a taxable benefit, a taxable allowance, it is therefore not part of computing the pension of MPs. MPs would not all of a sudden enrich their pensions, which has been a comment raised by many about my particular procedure.

Is this idea unique or new? I do not know if this private member's bill has ever been introduced before. It is certainly new in this term of office but it is not unsupported in the community. In fact, a very interesting article appeared in *The Toronto Star*. I heard the NDP premier of the province of Ontario talk about the fact that they should look at this tax free allowance of all provincial and municipal politicians in Ontario. The reason they have that allowance is not provincial legislation, although they need the approval of the provincial legislature. It is federal legislation, the Income Tax Act, that allows for it.

The city of North York talked about this issue at one of its council meetings and it was reported in *The Toronto Star*. This debate took place last year. Members of the council passed a unanimous resolution asking the province to make the allowance they received taxable. Basically their logic is explained in the paper as follows:

But councillors say the law is misunderstood and criticized by the public.

"The public feels that maybe members of council are getting big benefits," says Councillor Milton Berber.

Adds Councillor Paul Sutherland: "People don't understand why it's (the exemption) there. It really bothers people and it gives a false idea of what's actually being earned".

There are a number of other quotes. I would suggest that is true. A lot of my constituents say: "You people

Private Members' Business

don't pay taxes like we do. You have this unfair advantage. When you raise the income tax rate you are not affected the same as everybody else".

I guess I am proposing with this bill to take away that charge, that concern of citizens of mine and probably other citizens across the country. We would be taxed exactly the same way as every other Canadian in this country. I believe that is in fact what Canadians are looking for, that MPs, senators, MPPs in the provincial legislatures, and all other politicians from one end of this country to the other pay taxes in the same way.

What does that mean in my municipality and in my riding? Let me give an example. Every riding is different. I have three municipalities in my riding. They each have eight elected mayors or councillors. There are 24 people there. We have another 10 or 12 public school board trustees. We have 10 or 12 separate school board trustees. Now we are up to 44 or 45. We have two MPPs, which put us up to 47.

In the case of the town of Pickering we have five hydro commissioners. In Whitby they have seven hydro commissioners. In Ajax they have six hydro commissioners. We are now up to about 65 people. We have an MP who is in on this. So in my riding alone this bill would affect about 70 people. We would multiply that by the 295 ridings in Canada. I suspect the number is much more than 75 on average because some ridings have 10 or 20 municipalities. A lot of people would be impacted by this legislation.

I come back to the original point. What I am trying to deal with is tax fairness. I am not trying to deal with the income of any politician in this country. It is within the power of all politicians in this country, if they feel their salary is inappropriate, if they feel that the expenses are much higher than they are being reimbursed for, to adjust it in a simple piece of legislation in their jurisdiction to whatever they think it should be. I know we in this House get a lot of flak when we go back to our ridings about making a lot of money, being overpaid and underworked. I am sure all members in this House are familiar with those allegations. Obviously we may not agree with each and every accusation that comes our way.