

Income Tax Act

Mr. McLean: The Parliamentary Secretary says it is not true. All I can say is that the agencies which are costing it themselves gave me that information. At the moment I prefer to take the information I am given from them regarding their own costs.

Mr. Evans: Mr. Speaker, is the Hon. Member saying that today the national charitable organizations would say that they want the Government to introduce a \$100 standard deduction?

Mr. McLean: It is not the issue.

Mr. Evans: Yes, it is the issue because the \$100 standard deduction is being removed. If there was no \$100 standard deduction today—

Mr. McLean: You are trying to make it the issue to serve your purpose.

Mr. Evans: That is what is in the Budget proposals. Would the organizations come forward and say that that measure should be introduced as a matter of public policy? They would not say that. Therefore, you cannot say that there is a necessary linkage between the removal of the deduction and the 50 per cent tax credit. That is a red herring.

The Hon. Member, Mr. Speaker, has just raised the subject of the \$8 to issue a receipt. That is only applicable if the organization is using direct mail fund raising and the money coming in is received by a direct mail agency. In that case, a receipt has to be sent back. In that case, it is going to cost more. It certainly does not cost \$8; that would be the most expensive form. The organizations which have volunteers who go door to door, such as the Heart Fund, the National Cancer Society and the Terry Fox centre will write you out a receipt if you give them a cheque for \$10 or \$5 at the door. Do not tell me that costs \$8.

Mr. Fisher: That's right.

Mr. McLean: Mr. Speaker, I would like to respond to that. This introduces another interesting question of whether the Government, by its policy, wishes to divide agency from agency. We are dealing not only with charitable organizations but with cultural and sport organizations and, in the international field, with coalitions. These organizations are beginning, in the interest of scarce resources, to pool their resources in order to increase their efficiency of operation.

A moment ago in his response, the Hon. Member raised the question of what we think is good for the country in relation to the voluntary agency. We come to the profound philosophical difference between the Liberal Party and its use of tax dollars to manipulate and to direct the country, and the freedoms that I would be prepared to give to the voluntary sector to make their own decisions, recognizing that they are going to make some decisions that will cause me some discomfort.

On the question of how we use the tax system as an incentive for encouraging the best in this sector in our society, of late the Hon. Member's Government has begun to say that

incentives are good for small business and the business sector because they allow them to make some of their own mistakes and to share with government instead of government taking all the blame. I ask him to begin to apply the logic, which he has now begun to discover about the voluntary sector, to that sector and begin to trust it. The suggestion about the removal of the \$100 tax deduction was that it was not encouraging that incentive. The voluntary sector said, "Do not hang us out to dry. Give us something that will provide an incentive". What we are being asked to vote on in the House at this point is tax legislation which does nothing to stimulate that sector. On the other hand, the same Budget put up incentives for small business. I do not see where the equity is.

● (1520)

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I think we are starting to smoke them out a bit. Finally, the Hon. Member has said that they are not talking about charities but about cultural endeavours and international endeavours. All afternoon he was talking about charitable donations. Suddenly he is not talking about that, because he is in a corner, a corner from which there is no exit.

He was asked directly if he would propose as a national policy that the Government introduce immediately a \$100 tax-free deduction for charity. He said that he was not talking about charity, he was talking about cultural and international organizations. We are getting somewhere. This shows the value of extending this question period.

Since he did not answer the question from my colleague from Ottawa Centre (Mr. Evans), which was a valid question, I want to ask the Hon. Member if he is in favour or not in favour of the Government's bringing in a policy to give every Canadian a \$100 tax deduction for charitable, cultural or international donations, whether or not the individual taxpayer makes that donation. Is he saying that that is cheaper than having to issue receipt for the donations?

Mr. McLean: Mr. Speaker, I have made it quite clear that this Party is not advocating the return of the \$100 tax deduction.

Mr. Dionne (Northumberland-Miramichi): That is what you have been arguing all day.

Mr. Fisher: That is what you are saying.

Mr. McLean: As the Hon. Member came into the House and entered the debate late, let me explain that our question was a discussion about the give and take tax proposals put forward by Canada's national voluntary agencies. It is in relation to the Budget and we are discussing tax legislation. We are making a comment about the failure of the Government to act in this particular area. Let me remind the Hon. Member that we are talking about a sector of our society which has been recognized by government Departments. Possibly he would like to have a briefing from the Secretary of State (Mr. Joyal) and the officials in the voluntary action sector. Possibly he would like to understand that when we talk