

Income Tax Act

private sector organizations. How much is the take in the give and take proposal? He does not have an answer to that because he has not gone beyond the motherhood part of the proposal.

● (1730)

Let me ask him a second question. He was very critical about the Government's attempts to put limits on the overhead that charities can incur. What limit would he put on? Does he believe that an overhead of 100 per cent would be all right? I see him shaking his head. Does he think that an overhead of 2 per cent would be all right? What limit would he give us?

Mr. Blenkarn: Mr. Speaker, the limits proposed are not all that bad, provided they are not damaged by this particular clause which demands receipts. In other words, there are many charities that collect little bits of money, such as \$5, \$8, \$10. If receipts are required, the cost of administering that type of charity is very high. My friend shakes his head. I only give information that has been given to me by a host of charities. I will be delighted to forward to my friend the letters we have received from at least 30 charities indicating the concerns they have as to the cost structure they are likely to face in the demand by people to get a receipt. They say it is not likely to occur this year, but will occur when people find that if they are going to claim anything for charity, they have to file a receipt for every donation.

My friend might not appreciate this, but when it comes close to filing time, a person all of a sudden remembers that he gave \$10 to a hospital fund and then whips around to the hospital to ask for a receipt. That is the kind of problem we will face. Until now, a person who did this required more than \$100 in receipts to get a nickel off his tax. My friend laughs. A great number of people gave less than \$100. They gave, but did not keep track of it. We are now forcing people to keep track of it. That is what will create the overhead that I talked about.

Mr. Fisher: Mr. Speaker, if my hon. friend gives more than 50 cents to a charity the next time round, he will know that most charities are quite happy to give him a receipt at the drop of a hat. I am prone to buy tickets for events in my riding. They are often \$2 or \$3. I always get a receipt for these. The charities do that automatically.

The Hon. Member is again avoiding the question. He will not tell us how big is the take that he thinks charity should get and how much is a reasonable overhead. He does not need to go into the motherhood issues he has given us. He does not need to indicate his unwillingness to give anything over 50 cents. Really, you have to give over \$1 before you will get a receipt. Once you are up in the high figures, they will issue a receipt. Will the Hon. Member stop giving us these red herrings and tell us how big is the take and how big is a reasonable overhead for a charity?

Mr. Blenkarn: Mr. Speaker, let us assume that the arrangement would be exactly the same as political contributions. My friend has the exact figures in his records with respect to political contributions. Is there any reason why it should be 75

per cent on the first \$100 and 50 per cent on the next \$500 for a political donation and then have my friend insist on nothing other than taxable income gift arrangements on a gift to a hospital or the Red Cross? Is that his attitude?

Mr. Fisher: Mr. Speaker, I am really encouraged to hear a Tory finally begin to make a policy statement. We now know from the Hon. Member for Mississauga South, who is a responsible member of the Finance Committee and a deputy critic for finance for his Party, that on every \$100 deduction, the first \$100 of a gift to charity should have 75 per cent credit from the federal Government. I take it that the Tory position is that the first \$100, which today is a standard deduction, assuming that people are in a 25 per cent tax category, that that standard deduction of \$100 at a 27 per cent rate is worth \$25 to the taxpayer, and now the Tory Party is saying it should be worth \$75 to the taxpayer. I take it that that is their position. They want the federal Government in the pocket of every charity to the tune of \$75 for the first \$100.

Mr. Blenkarn: Mr. Speaker, that is obviously a misrepresentation. We are comparing one system to another. The charities have suggested that the tax credit be 50 per cent on the first \$100. Obviously there would be budget restraints if that went too far, but the principle is there. In all fairness, if we are going to take tax credits to finance our political activities, we should be prepared to give tax credits to finance our charitable activities.

Mr. Deputy Speaker: The period of ten minutes has just about expired. Is there unanimous consent for the Parliamentary Secretary to ask a question?

Some Hon. Members: Agreed.

Mr. Evans: Mr. Speaker, I would like to follow up on the excellent questions by my colleague for Mississauga North because, quite frankly, I am intrigued by the give and take proposal. I know my friend from Mississauga South is as well. We now have in the range of 44,000 registered charities in Canada which qualify for tax treatment. Many of those are of a nature that I am not sure the Canadian taxpayer would be happy to see receive a 50 percent, let alone a 75 percent, tax credit. I do not think the Hon. Member's Party would be happy to see all of these charitable organizations that are now registered for tax purposes receive this kind of tax treatment. How would he go about defining what charities should receive the kind of treatment proposed in the give and take proposal?

Mr. Blenkarn: Mr. Speaker, that is a question of the approval of charities. The Parliamentary Secretary knows the Government has a White Paper on this matter. I would have thought that the Government would have had a parliamentary study on the licensing of charities. The answer is very simple. Is the Parliamentary Secretary going to distinguish between one church and another, and between the Red Cross and the Cancer Society? Obviously he may believe there are charities that are not charitable or not advancing the work of our Lord, education, or all the rest of it. I am not going to decide which