

Registered Charities

Let me reiterate that a major assistance to these organizations would be to allow contributions to them to be deducted in a similar manner to contributions made in the democratic political process.

Mr. Douglas Roche (Edmonton South): Mr. Speaker, I just want to take a moment to say that a small step forward is about to be taken in the House this afternoon before six o'clock. It is a small step on behalf of non-governmental and voluntary organizations which play a crucial part in the life of our country and creation of our society which is enriched by the participation of so many individuals who express their active concern for the lives of their neighbours and others in our country.

I believe I should review the contents of this Bill which is about to be referred to the committee. It is an Act to encourage the role of the voluntary sector in Canadian society. This Bill, which would establish a commission to examine the various aspects of the voluntary sector in our society, essentially says that the commission shall make recommendations on the need for legislation or any other action that may be required to encourage greater financial contributions through registered charities.

This addresses the basic issue that the Hon. Member for Waterloo (Mr. McLean) has brought before the House in this Bill, and indeed that I brought before the House three years ago in an effort to improve the financial situation of charities and voluntary agencies, given their serious difficulties due to inflation and great competition from the work sector. We are being asked to consider helping the voluntary sector that already provides 175,000 jobs, which is more than the construction industry. They have an annual wage bill of \$1.7 billion and total revenues of \$5.6 billion. That amounts to fully 3 per cent of the Gross National Product.

The jobs that have been created in the voluntary sector are labour-intensive by nature, giving work to disadvantaged groups such as women, youth and part-timers. The voluntary sector can create one full-time position at a cost equal to one-third of that required for the federal Government to create a similar position. The Government must take these statistics into account during these hard economic times.

When the Minister of Finance (Mr. Lalonde) brought down his budget last April he removed the \$100 standard deduction in an effort to increase the revenues of the Government. He said he was giving the voluntary agencies half of what they asked for and denied the other half. The full proposal was called the give-and-take proposal in which the \$100 standard deduction would be eliminated in return for a 50 per cent tax credit on what was given.

While this is not the proper time to argue the substance of the case, I want to say that the non-governmental organizations now have an opportunity to come before the appropriate parliamentary committee which will be examining this Bill and make their case before that committee that they have been denied before.

When Members of the House, including myself, tried to make the case that full implementation of give-and-take would actually save the Government money, the Government's spokesman at that time quoted statistics that were dredged up from the Finance Department and said that, to the contrary, it would cost the Government money. There is a dispute at the moment about whether the give-and-take proposal in its entirety will cost the Government or benefit it. It is my submission and that of the national voluntary organizations committee that the implementation of the give-and-take proposal in its entirety will benefit the Government financially.

I now challenge the non-governmental organizations that will be reading the account of today's debate and will take some heart for what is about to happen in a few moments, to get their facts together, update their statistics and make representations to the committee so that it can then turn to the Finance officials with figures to prove them right or wrong to us as Members of Parliament.

When the Finance Department is then challenged before the committee to refute the argument that has been made time and again by the non-governmental organizations and the voluntary sector, I believe we will see some progress. It is, however, one thing to make proposals in the House and for a committee to approve them. As the Hon. Member said, a proposal could be before the House for three years without being fully implemented. Nevertheless, the rising pressure from the voluntary sector—47,000 registered charities could benefit from this—could put a lot of pressure on the Government once the facts are clearly determined. I am now pleading with the voluntary sector to make the appropriate representation before the committee.

Mr. Walter McLean (Waterloo): Mr. Speaker, I first want to acknowledge and thank the Parliamentary Secretary and my colleague from St-John's East (Mr. McGrath) for their collaboration and suggestion that this matter be referred now to the Standing Committee on Finance, Trade and Economic Affairs for further study. I believe this is at least a measure of hope to the voluntary sector in Canada which has been looking for some action in this area for some 15 years.

● (1750)

I want in the moments left before we take action on this Bill to make an observation on the comment of the Parliamentary Secretary about the response from the charitable organizations to the discussion paper put forward by the Minister of Finance (Mr. Lalonde). He will know that the Department had been deluged and that these was a clear misunderstanding on the part of the authors of the paper as to the difference between charitable organizations and charitable foundations. Surely it would have been appropriate before ever altering such a paper to begin to talk with the people concerned.

Now that we have dealt with it as the cart before the horse, we are now beginning to move back to the point where normal people would suggest that you hear from the people affected and begin somehow to design a procedure that will be of some help to them. We look forward to their discussion and to the