

Income Tax Act

some people were making remarks because they thought it might be to their political advantage to talk about co-operatives. I thought that was a bit unworthy, but he improved towards the end of his speech when he called for the resignation of everybody from the Minister of Finance and the parliamentary secretary on down. Whether I can be so unkind as to go along totally with that, I do not know. I cannot speak too authoritatively on the question which the hon. member for Timiskaming raised so powerfully because I do not belong to one of those churches which is so well off. My usual communication from my church is a regular appeal for a little more help to keep them out of the sheriff's maw, so to speak.

I cannot refrain from saying a word about this particular section because I come from a part of the country in which the co-operative movement and the credit union movement have had a glorious history. Not long ago in South Rustico, Prince Edward Island, there was dedicated by the Historic Sites and Monuments Board the building which housed the first credit union in North America. That little community in South Rustico has had a wonderful history of co-operatives and credit unions. There are many of these all over the Atlantic provinces. One of the great men, I suppose, in the whole range of Canadian history would be Monseigneur Coady, the founder of the Coady Institute at St. Francis Xavier University in Antigonish, who initiated and inspired a series of community betterment programs which probably did more to improve the lives of people in the Maritime provinces, especially in Cape Breton, than any piece of legislation that any group of legislators ever passed.

The co-operative movement has done great things for the fishermen, for the farmers and for others. I was always impressed by what could properly be called the social value of the co-operatives, especially the many small co-operatives which have literally helped the little communities in the Maritime provinces pull themselves up by their boot straps.

As I was preparing for this debate I ran across a memorandum which I thought very succinctly set the co-operatives in their proper perspective, a part of which reads:

Co-operatives are different forms of enterprise, primarily because of their objectives. They are "self-help" organizations (incidentally always Canadian and locally owned) that are generally found in primary production areas, viz grain, dairy, farm products, fishing industry and the merchandizing carried on largely serves these industries although some co-ops are found in urban centres that serve city people . . .

Co-operatives usually serve members whose income level is below average. This should be sufficient reason to encourage their self-help efforts.

On that point of view, I note that others have a similar reaction.

The amendments that have been brought forward to this bill and on these sections—and it takes time to count them, let alone read them or understand them—have had some ameliorating effects and to that extent they are welcome. However, I cannot accept any changes in the taxation structure which will make it harder for the co-operatives and credit unions to function in those roles and in the manner in which they have been carrying on over these many years. I do not belong to any co-operative; I never did. I do not belong to a credit union, but I do not

want to be a willing pallbearer for any type of funeral arranged for them through this legislation.

My colleagues have made some helpful and useful contributions. I do not believe in any debate, and certainly not in this kind of debate, in repeating what someone else has said just as well as I could have said it. The hon. member for Moncton made a most excellent speech yesterday as the first spokesman for our party on these sections. He is a very fine economist. His economics training showed extremely well yesterday. Something else showed, too, and that is that he knows the practical problems of practical people living out their daily lives in the Atlantic region and in the rest of Canada. I commend his speech, especially to all who are interested in this particular aspect of the bill.

I have always been impressed, apart from their social value, about the whole matter of Canadian content of co-operatives, and I think that requires more emphasis than it has been accorded so far. Here we are in paroxysms of uncertainty, if nothing worse, about foreign ownership, but here is a viable, useful segment of our economy which is excluded from this aspect of foreign ownership of our economy. I repeat that this is at a time of anxiety over that particular question, and yet there is no reason we should be concerned about it. I ask that the good suggestions that have been made by my colleagues, with their expertise in this field, be taken into consideration.

I want to commend the co-operatives. Someone said that we get pressure from the co-operatives and that they have become a pressure group. I have the highest regard for the manner in which co-operatives and credit unions have marshalled their arguments, and I may say that the arguments which I receive from the co-operative organizations of Canada, from the Maritimes, from Prince Edward Island, surpass in comprehension the bill itself and all the amendments introduced by the minister. I knew exactly what they meant. They made their case abundantly clear and I think they made a very good case. I believe that is what the public bodies should be doing, presenting their case clearly. It is not iniquitous lobbying and it is not unfair pressure. In my opinion, it is the very finest form of enlightenment on a difficult matter. These are the people who know the situation and they share their knowledge with the Members of Parliament. I cannot recall any argument which they put forward which looked as if they were seeking special treatment. I think co-ops have done a very fine job in presenting their case.

• (12:50 p.m.)

I congratulate my colleagues who have spoken so eloquently on this matter and I join with them. Since I am a laconic man of few words, I will rest my case at this moment.

[*Translation*]

Mr. Latulippe: Mr. Chairman, I am pleased to have the opportunity of stating my party's views and of commenting on the kind of treatment we wish to be applied to Caisses populaires and credit unions. I would like to draw a picture of the exact situation of credit unions and large corporations and to prove, by means of supporting tables