

Let us take, for instance, the benefits offered to the industrialists by the Minister of Industry and by the Minister of Finance, that is a tax abatement for a three year period and the possibility of a deduction for machinery and buildings over a five year period.

I think those measures ought to prompt industries to set up in the areas where unfortunately the economic situation is not favourable.

In the riding which I represent, we experienced a tremendous economic development in the years 1925-30 because at that time, we had electric power which was the key to our economy; but since the nationalization of electric power, that power can be found everywhere in the province of Quebec, and our region lost the advantages it had before.

Because of this new legislation, we hope that the industries will come and set up in our region where economic growth is very slow. I think that this legislation is not discriminatory, that it is in order and serves the interests of the nation. As was mentioned by the hon. member for Northumberland (Miss Jewett), this legislation was implemented in other countries and it gave satisfactory results.

I therefore think it is by duty to point out that this legislation is intended to decentralize industry and promote the most severely affected regions.

As regards the methods used for the designation of those places, they may come under criticism. But if we take a map and study the economic divisions where development is too slow, we find that, actually, the places which suffer the most economically in Canada will benefit from those advantages. Therefore, people should not complain about the procedure followed.

Some complaints have been heard that the municipalities and the provinces have not been consulted. In fact, it might be advisable to examine the matter more carefully in this respect. Obviously, the machinery is perhaps not yet sufficiently to the point; therefore, it is important to name a standing committee on federal-provincial relations, which would prevent interference in a field where there may be competition between the provinces and the federal government.

However, even if such a problem has been raised, this is no reason to stop the whole legislation. On the contrary, we should act. If there are abuses they should be remedied but we should not refrain from taking action because a constitutional problem may arise.

Everyone should take his own responsibilities and, in this, the government is acting quite properly.

[Text]

Mr. Nasserden: On a point of order, I wonder if the hon. member would pay more attention to the item under consideration. I think he has wandered very far from the bill we are considering at the moment.

[Translation]

Mr. Chretien: I have made a speech concerning Bill C-95, and many other members have raised similar points, so that I feel it is in order for me to elaborate somewhat upon certain points.

In concluding, I would like to say a few words on a question which affects me, and which is of great concern in the province of Quebec. We are unfortunately beset, at the present time, with a rather prickly fiscal problem, and it is that of receipts for charitable donations.

This very afternoon I received a petition bearing 600 signatures asking me to suggest to the Minister of Finance that he should consider that problem, which has been with us, in the province of Quebec, for many years—

[Text]

The Deputy Chairman: I should like to deal with the point of order raised by the hon. member for Rosthern. Members of the committee will recognize that we are dealing with the first clause of this bill. I think it is generally agreed that debate at this point is a little wider than would normally be allowed. However, I would recommend that the hon. member who now has the floor should stay as closely as he can to the terms of the bill, though I recognize there is some agreement as far as general debate is concerned.

[Translation]

Mr. Chretien: Even if I am not quite in order, I had been recognized before the hon. member for Digby-Annapolis-Kings (Mr. Nowlan) submitted his amendment. I was good enough to yield the floor to him, and that is why I feel I should now be allowed to expound, during a few minutes, an opinion which might go somewhat beyond the clause under consideration.

Mr. Chairman, I have only one suggestion for the Minister of Finance.

I should like to come back to the excellent suggestion made by the hon. member for Lake St. John (Mr. Lessard) concerning the possibility of eliminating receipts for charitable donations and reducing from 17 to 14 or 15 per cent the tax levied at the present time on the first bracket of taxable income. Another suggestion would be to raise the tax basis in such a way that the national revenue would not lose anything and taxpayers would not have to keep on fighting with the officers