Income Tax

We have discovered that there are many ways in which this government is able and willing to bring about a gradual change in the evolution of self-government for the north. Since 1974 we have moved much more quickly in this direction than we did in the past. We have further amended the Yukon Act and the Northwest Territories Act to give substance to the government's objective of furthering this process, and this has been agreed to by the territorial governments. In the Yukon, the territorial council, as I said, has been increased. We recently met those people here, in Ottawa. I hope it will not be long before we can meet them in the Yukon.

The councils of both territories were consulted before these major changes were introduced. Representatives appeared before the Standing Committee on Indian Affairs and Northern Development, to present their views. During the debate, in March, 1974, on second reading of the bill to amend the acts I have mentioned the then minister, now President of the Treasury Board, announced proposals to add a third councillor to the executive committee of the Yukon and to place elected councillors on the Northwest Territories executive committee. It is the intention of the present Minister of Indian Affairs and Northern Development (Mr. Buchanan) to ensure that these proposals are implemented, following council elections in each territory.

These programs are being carried out with the concurrence of the territorial councillors. The progress in constitutional development as outlined is ample evidence of the readiness of this government to honour the commitments set out in "Northern Evolution" which works toward full representation and responsible government for the Yukon and, ultimately, for the Northwest Territories.

The government believes that it is desirable to permit this development to evolve at a pace in keeping with resource development and the ability of the people of the areas to undertake responsibility. There is interest in seeing self-government by governments in the north as never before, but we must be careful that we do not move prematurely. We must be careful not to cut the people of the north off from the voluntary process in which they are participating so fully at present. They must be given time to reflect on significant developments as they are implemented, and they must become aware of all the implications involved. This cannot be done properly if the change is too rapid.

It has sometimes been said that the federal government should transfer to the territorial governments its present jurisdiction over natural resources with respect to all lands outside municipalities. Those resources are spread across 40 per cent of Canada's land area and harbor, as I said, 40 per cent of the resource bank of this country. I do not think we are prepared to yield at this time authority over 40 per cent of our resources and 40 per cent of our land to one-quarter of 1 per cent of our people.

Only the federal government can give the financial assistance needed for the development of these resources; only that government can help the people who live in

the north. To impose upon those people the burden of provincehood at a time when they are small in number would be unfair and, I think, unjust. People must be prepared to accept the responsibilities of provincial government. I submit that as the Yukon has been separately administered since 1908, it is closer to the time of provincial status than the Northwest Territories. Therefore a motion linking them together does not deal with the subject this House ought to consider soon.

One must consider the immense financial burden of opening up the huge reservoir of the north. When we look at the expanse of the Northwest Territories, we are moved to this conclusion—

An hon. Member: Six o'clock.

Mrs. Campagnolo: I will wait for Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): Question.

Mrs. Campagnolo: If the territories were provinces, certain additional revenues would be available to them—

An hon. Member: Question.

Mrs. Campagnolo: —from the resource field, but there would also be additional obligations.

The Acting Speaker (Mr. Penner): Order, please. I regret to interrupt the parliamentary secretary. The hour appointed for the consideration of private members' business having expired and it being six o'clock, I do now leave the chair until eight o'clock this evening.

At 6 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

INCOME TAX ACT

The House resumed consideration of the motion of Mr. Turner (Ottawa-Carleton) that Bill C-49, to amend the statute law relating to income tax, be read the second time and referred to committee of the whole.

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, when I called it five o'clock, I was dealing with the difficulties that our tax regulations have caused to the accommodation industry in Canada, with a consequent disadvantage to those people looking for homes or rental accommodation, particularly those in the disadvantaged group with low incomes.

A few years ago people were able to set off some of their income against capital cost allowances on apartment buildings. This government, in one of its typical strokes of non-genius, decided to close that loophole. At the same time it removed the incentive for private funds of individuals to move into accommodation for their fellow citizens.