

proposal, and he should know that. He is demeaning his own idea and he should be ashamed.

Let me remind the House that the Members of the NDP have been honest about this. The standard deduction has been used as a personal, non-charitable deduction. To get rid of the confusion the Hon. Member has raised, I would point out that in the Budget Speech the Minister of Finance (Mr. Lalonde), said "Representatives of voluntary organisations have expressed concern that this deduction reduces the tax incentive for charitable giving since the deduction is not directly related to amounts given". That is a direct quote and it is accurate. All we are saying is that we want to help the voluntary sector. We want people who claim to make the gifts to come up actually with the receipt showing they made the gifts. Then, when we get that cleared away, let us go on to the idea that the Hon. Member has raised, because it is worthy of debate. He stands up here and mixes the two together and hurts his own idea with the cheap political rhetoric he has been giving us this afternoon.

**Mr. McLean:** Mr. Speaker, just for the record, the Parliamentary Secretary made reference to the Budget and to what the voluntary agencies have said. Let me remind the Parliamentary Secretary that the representatives of the national voluntary agencies sought a meeting with the Minister of Finance (Mr. Lalonde) after the speech in order to clarify the record. I regret, Mr. Speaker, that I do not have the documentation here.

● (1510)

**Mr. Fisher:** I would like to see it.

**Mr. McLean:** I will find the correspondence between them showing the misrepresentation of what they said. The voluntary agencies said that they agree with what was in the Throne Speech. I see behind the curtain the Parliamentary Secretary who was then responsible. He may recall that they said that they agreed, but the Minister put in the speech only half of what the agreement was. They agreed with that provided the Government put the other incentives in.

**Mr. Evans:** Not true.

**Mr. McLean:** I recall the comments and the questions in the House on the basis of their correspondence to the Minister of Finance. That is only half of the record. The Throne Speech represented an agreement from that sector which they themselves disputed after the Budget.

**Mr. Evans:** Mr. Speaker, I think I have to intervene because there was no agreement. The Hon. Member talks about an agreement as though the Minister of Finance had agreed that he would undertake the give and take proposal as well as eliminate the \$100 standard deduction. There was no agreement. There was representation made by the National Voluntary Organizations that the \$100 standard deduction should be removed first and the give and take proposal of a 50 per cent tax credit should be introduced. That is true, but there was no agreement about that. The voluntary sector made the

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representation clearly and honestly. It asked why the taxpayers would be asked to give a \$100 deduction to everyone across the board, whether or not they made any contribution whatsoever to a charitable organization. It does not make sense and it should have been abolished a long time ago.

**Mr. Forrestall:** Why wasn't it?

**Mr. Evans:** It now has been. This Government is doing it right now. Mr. Speaker, there should not be a \$100 standard deduction that is independent of the fact of giving to a voluntary organization. The voluntary organizations said that we should not have this \$100 standard deduction anyway because it does not make any sense. Even without the \$100 standard deduction it is not going to attract the kind of donations which we think are good for the country. They are not going to make sure that the distribution of giving is broadly spread across the income spectrum. The fact of the deduction, as opposed to a tax credit, means that the higher income people are going to have a greater incentive to give than the lower income people. We would like to see that spread in incentives eliminated. The way to do that is to introduce a tax credit.

Let it be clearly on the record, Mr. Speaker that no voluntary organization would ever stand up and say that on the tax forms of this country there should be a \$100 standard deduction that is supposedly related to charitable giving but in fact has no relationship to charitable giving whatsoever. None of them would say that. All the worthy charitable organizations in this country will provide you with a receipt. That receipt can be written off against your taxes today as it could have been before. The \$100 gift to those who did not give a dime to the charitable organizations is being removed. Those who do give will get exactly the same deduction as they always got.

The next question is whether we should use a tax credit system as opposed to a deduction system. That is a debate that is worthy and should be entered into in the House, but it is not something which is dealt with in the legislative proposal which is before us today.

**Mr. McLean:** Mr. Speaker, once again we are into the question of interpretation and memory. The Parliamentary Secretary, quite rightly, suggested that there was agreement on the part of the voluntary agencies that that provision should be removed. I agree with him. There has been no disagreement. Their proposals were always linked, and at no time was there a suggestion that those would somehow be divided. The Parliamentary Secretary does disservice to the record. The reason that the agencies were so upset after the Budget Speech was that their linkage, their proposal with its linkage, was not honoured. When the Parliamentary Secretary says that the \$100 deduction does not have an effect, it now means that any time you give a \$5 donation it is going to cost those agencies, on average, by their own records, \$8 in order to issue a receipt for it.

**Mr. Evans:** Not true.