

Private Members' Business

more deductions for medical expenses is part of horizontal equity. In my judgement the current rumours very rampant around the country that the government is going to be taxing medical and dental benefits would all be part of this whole thing.

I see the bill as an attempt to square a circle, the circle being the targeting of disadvantaged seniors inadvertently targeted by an aberration in the Income Tax Act. Therefore, the bill itself is not disturbing. As a matter of fact, I would probably as revenue critic for my party recommend that we seriously consider supporting it if it was votable.

What is disturbing is discovered by attempting to determine the effects of the bill. The bill amends subsection 118.2(1) of the Income Tax Act. In that subsection is a formula for the medical expense credit. Let us look at just this little snapshot of some of the complications in the Income Tax Act.

I have to read this. The formula is $a(b) - c$ (minus d) where a is the appropriate percentage for the year; b is the total medical expenses of the individual; c is presently the lesser of \$1,614 and 3 per cent of the individual's income for the year; d concerns the income of dependants and spouses as claimed by the person filing for the medical expense tax credit. Part c of the formula is altered by this bill by adding (a) an amount under section 118.3. Section 118.3 deals with a tax credit for mental or physical impairment and (b) an amount under subsection 118(2), in which case C is equal to zero.

• (1925)

That is really terrific. Therefore we have before us in this simple one-page bill which touches the medical expense credit, the tax credit for medical or physical impairment and the age credit, a bit of an idea why Canada's Income Tax Act is over 2,000 pages long. One can see how it got to be that big. That is a matter of philosophy. Let me describe the philosophy that leads to an ever-growing act and a constantly increasing tax burden on Canadians.

There is perceived a need or deficiency encountered by certain individuals such as, for example, mental or physical impairment. I really admire the work of the member from Newfoundland but he believes that the government is to be used as an instrument of action that enacts or changes legislation to address this need.

I certainly accept that this was done with the best of intentions by well-meaning individuals, as was the case with this bill. What happens when the government acts to address the needs of only one group of people? Other groups and individuals seek to address their problems through government action. That is how we ended up with age credits, medical expense credits, GST credits, charitable donation credits, political donation credits. The list goes on endlessly.

The Income Tax Act quickly changes from being straightforward legislation which sets rates of taxation and strictly defines taxable income into an amalgamation of credits, write-offs, grants seeking to redress or placate every group in Canadian society. This is the snowball effect where the small snowball starts at the top of the hill and picks up speed on the way down the hill.

What the Liberals fail to ignore or to understand is that the fiscal crisis we are currently in is not a result of a few years of unbalanced books. It is a result of a conscious decision in the 1960s and the 1970s of the government to involve itself in the lives of its citizens to an unprecedented degree. The involvement of the government into the lives of citizens, once begun, is very hard to slow down, to stop and even harder to reverse. What we see in this band-aid legislative proposal is that a band-aid would not stop the *Titanic* from sinking.

It further complicates an overwhelmingly loaded, confusing and complex collection system. Combined with the Liberal's blind homage to the outdated concept of big brother knows best, Canadians lack real hope of reform.

As I mentioned, if this was a votable bill, I would be recommending to my caucus that we support it for all the good reasons that will be expounded. But the real reason in my judgment for this bill to even have to be in place is the complexity of the Income Tax Act that the government refuses to do anything about.

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, I appreciate the opportunity to spend a few moments tonight addressing the House on the benefits of Bill C-282 and to congratulate my hon. colleague from Burin—St. George's for his initiative and work since 1993 on this valuable legislation.

No doubt every member's riding, the same as mine in Cumberland—Colchester, is comprised of large numbers of senior citizens, many of whom are disabled. Most members, including myself, have parents whom this bill would potentially affect. In fact, it is the disabled parents and grandparents of this nation to which this bill is addressed and not just a change in the Income Tax Act. It is a statement of principle, namely Liberal principles, of how the government views and treats our rich resource of knowledge and wisdom, our human resource, our seniors, particularly our disabled seniors.

These are men and women who have worked hard all their lives and have jumped one of the last hurdles toward retirement only to find themselves struck with the financial burden along the way having become disabled and not able to enjoy the fruits of their life.

• (1930)

Unfortunately, though, we helplessly watch as they grow older, the ravages of time and disease claiming their strength and vitality. They often require extra support from the medical community which in many cases was neither expected nor