

*Criminal Code*

very great importance. It is a matter to be regretted by any Government that is really concerned about achieving the kind of social order and public policy to which I and my colleagues are committed.

There is another aspect to the matter of what gambling fosters in citizens which is worth considering. We recognize that the use of lottery moneys for public purposes including fitness and amateur sport is designed to compensate for the Government's unwillingness to use consolidated revenues for that purpose. In looking to consolidated revenues as a basis for supporting these important activities, we do in fact want those revenues to be based on a sound system of taxation.

I do not think it is all that much of a novelty any longer to suggest that the tax system of Canada has become badly imbalanced to the detriment of just the people who tend to buy the most lottery tickets. The federal tax system and, because the provincial system largely rests on the federal system, the provincial tax system as well are oriented toward the taxation of individuals and small businesses. It is of course on middle-income Canadians that the income tax system draws first. As well, poor and middle-income Canadians are hit with sales and excise taxes.

The fact is that the burden of taxation has shifted in a most remarkable way from the balance between corporate and individual income tax and the genuinely progressive individual income tax system that existed a quarter of a century ago to a system that puts an incredible burden on individual Canadians, most of whom are poor or middle-income earners. It is because we have such a tax system that the Government finds itself with the deficit it has. This Government and the preceding Liberal Governments did not have the courage or the good sense to realize that the tax system had to be brought back into balance for the good health of the country. It is for that reason that the Government believes it does not have the revenues necessary to support activities such as fitness and amateur sport through consolidated revenues. It is for that reason that the Government, which has placed this heavy burden on individual Canadians, ends up supporting gaming activities which end up placing one more burden on poor and middle-income Canadians.

As a consequence of the policy mistakes made in the early 1970s by the Liberal Government, largely supported by the Conservative Party in opposition, people now think that the provinces have to depend on lottery income which, through negotiations, is extorted from the provinces by the federal Government for use in supporting things like the Calgary Olympic effort. It is that combination of policies and social ills to which this Bill relates. Unfortunately, as I said earlier, it goes only half-way toward actually dealing with a problem by taking the federal Government out of gaming activities.

Regarding the Bill itself, I note that certain other changes have been made to it. I would like to recognize the importance of those changes by modifying somewhat what I have just been saying in a broadly general way about gaming in this country. It seems to me that there is a limited place at the community level for raffles and similar activities. It may be a break from

the principles which I have been broadly spelling out. I have an uneasy feeling that it may be the case when it is suggested that school children are encouraged to sell tickets to some event or another, or when churches are involved in bingos, or for that matter the bingo business generally, which is used for all types of secular practices as well in many of our community. In saying that that sort of activity ought to be tolerated, we are in fact making something of a concession to the vice which I have been suggesting that gambling is. I think that is probably true in principle. However, I am prepared to concede that a little bit of this might go on.

● (1620)

I personally faced the question of these principles and the potential contradiction when the Lottario draw took place in my riding in the Town of Nipigon late last summer. Very soon thereafter the Nipigon fall fishing derby took place in the same community and concluded with a draw for the entry prize. In the case of the Lottario draw, given what I had said in November 1984 about gaming, there was no doubt in my mind that I was not going to take part in the draw in Nipigon even if it meant missing a fine chance of receiving television publicity. It simply would have been a contradiction of my principles to do that. On the other hand, to attend the concluding hours of the Nipigon fall fishing derby and to accept the honour of drawing the ticket for the entry prize was something that I was prepared to do. I note here that the largest prize of the three drawn was for \$100, which I think is relevant to two of the changes to Section 190 of the Criminal Code which this Bill includes.

As the Minister has already noted, one of the changes is to extend to fishing gatherings the permission which agricultural fairs have had for many years to include something in the way of lotteries in their operations. Clearly, that sort of expansion would easily erase any legal doubts which there may have been about the Nipigon event, not that I think there were any.

The second change to the Criminal Code is with respect to an increase in the prize which a lottery operator in a community may receive. This is an increase to \$500 from \$100 and an increase in the ticket price from 50 cents to \$2. I suppose both of these changes simply recognize the effect of inflation over the years. It strikes me that they are immediately relevant to the organizers in Nipigon who will now be able to increase the size of the first prize at the Nipigon fall fishing derby.

These matters of gambling activities, raffles and so forth at the local level are ones which I wanted to mention because it seems to me that we might tolerate in these cases what I have described as an evil in other cases. At the same time, we realize that the consequences of a provincial activity in these areas are, in fact, very great; and the way in which gambling revenues are drawn upon by the provincial and federal Governments for social purposes really smacks of poor public policy.

I must say that on one additional aspect to which the Minister referred I find myself somewhat repelled by the suggestion that Canada has developed expertise in the area of lottery operations which it can make available to others. The