

Income Tax Act

power should be expanded by means of dividends or a compensated discount which would bring back prices to the real cost of production.

This is what we want, what we are offering in order to face the voracity of the government which keeps on levying ever higher taxes on individuals.

Mr. Speaker, I would like to revert to what I said earlier concerning section 8 of Bill C-259 which provides for a deduction of \$150 or 3 per cent of the income, up to that amount for taxpayers with transport or equipment expenses. We raised that question on second reading as well as during the debate in the committee of the whole. We moved an amendment on this, because it seemed to my colleagues and to myself that this section had not been looked at closely enough. That is why I move, seconded by the hon. member for Lotbinière (Mr. Fortin):

That the amendment be amended by replacing the period by a coma and by adding the following: "and that in addition it reconsider subparagraph (a) of paragraph (1) of subsection 8 of clause 1 in order to allow taxpayers to deduct from their income all employment expenses supported by evidence."

Mr. Speaker, the reason for this subamendment is to bring the necessary corrections to the amendment of the hon. member for Winnipeg North Centre, so that all Canadian taxpayers may be allowed to claim their working expenses, provided they enclose receipts, in the same way as other classes of society are allowed to do at present. If people such as commercial travellers, insurance agents, accountants, doctors, and lawyers can claim all their working expenses, we have every reason to believe that it is only fair that all Canadian taxpayers who have to face fairly high, and continually increasing, expenses should be allowed to claim all their working expenses, provided, of course, they enclose receipts. I think that in all fairness the House should pass this subamendment, as well as the amendment of the hon. member for Winnipeg North Centre, so that the committee of the whole may have an opportunity to give further consideration to those two sections, in order to have an equitable system for all Canadian taxpayers.

[*English*]

Mr. Deputy Speaker: Order, please. The hon. member has moved an amendment to the amendment moved by the hon. member for Winnipeg North Centre (Mr. Knowles). I have some doubts about whether the subamendment is acceptable. I say this in a preliminary way only, because I would be prepared to hear hon. members who may wish to assist the Chair. It seems to me, however, that the amendment of the hon. member for Winnipeg North Centre referred back for consideration the proposed new section 117(1) as set out in clause 1 of the bill at pages 313 and 314. As hon. members know that section deals with a proposal to reduce, if I may use the expression, the "across the board" rate of taxation. The hon. member for Abitibi (Mr. Laprise), who has proposed the subamendment, would refer back to committee of the whole an entirely different section of the bill which deals with another matter. I have some doubts about the acceptability of this and if hon. members would care to assist me I should be pleased to hear them.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, the subamendment moved by my friend, the hon. member for

Abitibi (Mr. Laprise), is supplementary to the amendment of the hon. member for Winnipeg North Centre (Mr. Knowles) which implicitly aims at giving the committee an opportunity of studying the reduction of tax rates and I quote:

—and in particular for the purpose of reconsidering the changing of the figure "17 per cent" in line 33 on page 313 to "2 per cent" and consequentially reducing the amount at the beginning of each of the paragraphs . . . by \$75.

Mr. Speaker, the principle which is implicit in the amendment of the hon. member for Winnipeg North Centre is the reduction of income tax, not only for a single category of taxpayers, but for all Canadian taxpayers. To be in order, and in accordance with the decision rendered by the Chair recently, this amendment should not refer to a single group of taxpayers, but to all of them.

The subamendment moved by the hon. member for Abitibi is to the same effect, i.e. that we propose, when the committee of the whole considers the section referred to by the hon. member for Winnipeg North Centre, that it consider at the same time section 8 relating specifically to deductible items and the basic deductions for personal income tax.

The two motions aim equally at reducing taxes for all Canadian taxpayers. The only implicit difference between the subamendment and the amendment is that the amendment of the hon. member for Winnipeg North Centre provides exact figures and replaces "17 per cent" by "2 per cent", which results in a \$75 reduction. The aim pursued by my friend the hon. member for Abitibi is the following and I quote:

—to allow taxpayers to deduct from their income all employment expenses supported by evidence.

Therefore, if the committee were to accept this proposal to include it in the bill this would mean that all Canadian taxpayers could deduct from their incomes certain amounts of money that they had to spend in order to finance the purchase of equipment necessary to their work.

Therefore, all taxpayers taking advantage of the proposal made by the hon. member for Abitibi will automatically enjoy a tax deduction, which would have the same effect as that of the amendment proposed by the hon. member for Winnipeg North Centre.

That is why my colleague, the hon. member for Abitibi has chosen to move his sub-amendment at this time. If we give the committee of the whole the right to reduce the taxes of all Canadian taxpayers—we agree on that—why not give it at the same time the possibility to reduce the taxes of all taxpayers by saying that all taxpayers may deduct from their incomes all expenses related to their work as long as they produce proof to that effect?

In this amendment we could have talked about the percentage that is equivalent to \$150 but this is precisely what we are against. In section 8(1) the government talks about a maximum amount of \$150 or 3 per cent of the income. This amendment would have the effect of doing away with the provision saying that it will be \$150 or 3 per cent, and this would have the same results as that sought by the hon. member for Winnipeg North Centre. In fact, his amendment is on general income whereas ours is on related expenses.