

Income Tax Act

miles a day. At other times, if he has to go to another construction site, he may have to cover a distance of 20 to 25 miles a day to get there.

This reduces considerably his income. Therefore, he must be compensated for the distance he has to cover. If the Parliamentary Secretary listened to my remarks, he will understand, I think, the reason for my intervention and accept to move the required amendment. If not, I shall consider moving one myself.

[English]

Mr. McCutcheon: Mr. Chairman, I am proud to make a few comments at this time following the remarks of my hon. friend from Halifax-East Hants who discussed the matter of mamma and papa businesses. He raised a very sensible question.

As I understand it, a deduction is to be allowed for child care expenses in cases where both parents are wage earners. In my humble opinion there is rank discrimination here because, as my hon. friend pointed out, a man and his wife running a corner grocery store would not benefit from this provision. I can think of dozens of other situations where the wife in a small hardware store, a small garage or a small dry-cleaning establishment works for her husband.

I hope the parliamentary secretary will clear this point up, but as I understand it the only way in which these people can benefit from the provisions of the bill we are considering would be if they were incorporated. I would point out to the parliamentary secretary that if they could well afford to incorporate, the wife would not need to be working in the business. I hope the parliamentary secretary will give consideration to this point.

It seems to me the direction this legislation is taking is that the department just does not like individuals. I do not think the minister and the parliamentary secretary should be led by the nose down the garden path by bureaucracy which does not like to deal with individuals because it believes some individuals will be hard to trace. This is the reason given for not making this provision applicable to the ordinary individual. This is deplorable; it is rank discrimination against certain individuals in Canada. After all, it is the small family store, hardware business and dry-cleaning establishment that is the backbone of this country and the operators of these businesses should receive some consideration in this regard.

• (5:20 p.m.)

[Translation]

Mr. Godin: Mr. Chairman, as regards this clause, I quite agree that some improvements may be necessary. However, I would like to draw the attention of the Minister of Finance (Mr. Benson) to the abuses of some civil servants.

You will remember, for instance, that, according to the public accounts, the government had accepted a price of \$12 for some CBC employees' meals. It was also reported that hotel rooms at \$65 a day had been paid to CBC employees as well.

So, last spring the government was trying, through some local offices, to claim income tax amounts for certain revised years. A citizen of Portneuf received the following bill: 1968 revision—meal expenses, \$750.

[Mr. Laprise.]

As it turned out, this man had been travelling between Portneuf and Montreal on 265 days in 1968. He had produced vouchers for the cost of his meals, namely \$1.15 for breakfast, \$1.65 for lunch and \$1.75 for dinner. The total amount of meals he wanted to deduct from his income tax was \$769. However, in November 1970, the Department of National Revenue, Taxation Division, sent him the following letter of warning:

Further to information obtained from your employer, we suggest that you revise your expenses as follows:

Year 1968	Previous figure \$760
	Revised figure \$500

Finally, Mr. Chairman, our man had claimed about \$2.90 per day which was reduced to \$1.70. That was what the department's local offices were prepared to accept.

Several truck-drivers of the province took it up to their member of Parliament. Others even entrusted lawyers to represent them before the offices although they knew that they were right.

I would like the Parliamentary secretary to indicate on behalf of the minister what will be the standards for the years to come. In the case of a person who leaves home for more than ten hours a day, and who must go, for instance, to Quebec City or to Montreal, does the bill provide that the local offices will be informed about that change so that the cost of the meals of that person be deductible?

In fact, as recently as last week, two truckers had to go to the Quebec city office to make representations and there was almost a squabble. The minister of National Revenue had to intervene to settle the matter.

Without a letter from a minister or the services of a lawyer, there is nothing to prevent an ordinary civil servant from the income tax to harass truck drivers whose work is already very demanding. They form a social class which has up to now contributed largely to the development of the country and which has not always been well paid for its work. In Quebec, for example, there are two ways of looking at it: if you earn \$7,000 you are able to eat better than your neighbour who earns \$5,000 because the province accepts these deductions in percentage form.

What I would like to know today is what the truck drivers of the province of Quebec can expect in the future, particularly concerning the accusations made against them in the past, some of which are not settled yet. In fact, I think that these accusations are completely unfounded when I compare the old legislation with the bill under study.

[English]

Mr. Ritchie: Mr. Chairman, I have a few comments on Sections 4 to 8. As far as employment is concerned, it seems to me there has been no recognition of losses that may occur. As the brief presented by the Canadian Bar Association points out, under section 5 (2) a person on salary or income computes his loss, if any, for the taxation year in which the loss occurs. In other words, there could be a penalty placed upon a person who might have little or no business or property income and who sustains a loss as a result, say, of having to pay moving expenses or something like that. There does not appear to be any provision for carrying forward a loss of that kind. I may be wrong, but that is my interpretation of this section. If