

Income Tax Act

minister looks at me. I see he is going to pay attention to this aspect of my remarks. That surprises me. He should have paid attention before.

One of the minister's friends in the Liberal party, Hon. Walter Harris, said when he was minister of finance in 1956, as recorded in *Hansard*—he was replying to a question asked by the hon. member for Comox-Alberni—that there was a discriminatory aspect in the Income Tax Act with regard to working men not being able to deduct for taxation purposes expenses they had to incur in buying special clothing, equipment, tools and the like that they needed for their occupations. Ever since then the hon. member for Comox-Alberni and I have continued our campaign with a persistent barrage of letters, briefs, speeches in the house, introduction of bills and so on. I merely want to say that the issue is not dead but is very much alive. The only thing that is perhaps dead is the sympathy of the Minister of Finance.

The Assistant Deputy Chairman: Shall clause 5 carry?

Mr. Barnett: Mr. Chairman, I wish to put on the record that what the hon. member for Skeena has just said with regard to proposed changes in income tax legislation is completely endorsed in the Carter report from my reading of it. It endorses the hon. member's view of the current discrimination in clause 5 of the bill.

The Assistant Deputy Chairman: Shall clause 5 carry?

Mr. Starr: No, Mr. Chairman. Please call a vote.

Mr. Sharp: Mr. Chairman—

The Assistant Deputy Chairman: Order.

Mr. Sharp: Before you call a vote—

An hon. Member: Stalling.

Mr. Sharp: I wish to say to the hon. member for Skeena that I did not attempt or intend in any way to misrepresent his remarks. When he directed the original question to me the word that attracted my attention more than any other was "disastrous". I took his meaning to be that he viewed the recommendations of the Carter commission as disastrous in so far as they affected the mining industry.

● (5:00 p.m.)

Mr. Starr: Call a vote.

[Mr. Howard.]

Mr. Howard: Before the vote is called I have one or two further observations to make. The minister took my words "disastrous effects" and deliberately read into them something which had not been intended in order to make a political point. Instead of playing about with what words mean and what they do not mean, I wonder whether the minister would mind addressing himself to the substance of the question which has been raised. I think it is clear. I have indicated my position with respect to it. If the minister wishes to continue suggesting that I mean something else, that is his privilege and I do not wish to press the matter.

The argument has been presented by my hon. friend from Timiskaming in a most forceful way. Miners have to wear protective clothing, including hard-toed boots. Similarly, loggers are required to wear special clothing. I mention these two occupations because one of them has been referred to directly and because I myself worked in the logging industry and am familiar with the requirements. These examples are not exclusive. Workers in other industries require of necessity, and in many cases by provincial laws in order to comply with compensation regulations, special clothing, some of it for reasons of safety.

Can the minister not indicate the prospects of making some provision of the kind now asked for in order that working people may have an opportunity to deduct necessary expenses from their incomes before they pay tax? I am talking now of those engaged in heavy industry, those who cannot in any way avoid taxes because before they even get their cheques the bookkeepers or accountants have docked the tax and sent it to the treasury. Are they to have no hope of concessions such as are granted to the mining corporations or to the insurance companies and others paying special refundable taxes? Can the minister give us no hope that the wage earners and salaried people who have no opportunity to make any adjustments affecting their taxes are to receive any of this favoured treatment?

Mr. Sharp: As the hon. member for Skeena says, the Carter commission does recognize the principle that people ought to be able to deduct from their income the expenses necessarily incurred in earning it and there is special reference in the report to the kind of expenses incurred by miners and others employed in industry. We have been studying this aspect along with other recommendations