

Income Tax Act

legislate tax reforms that are clear. I believe some of the points in the section to which I have referred deserve further clarification.

In addressing myself to the subject of medical expenses I should like to draw to the attention of the Minister of Finance the fact that many people in our country are still being treated unfairly. There still exists in Canada discrimination against people who reside in provinces such as Ontario and Alberta, as well as in other places, where provincial governments have determined that they will make no contribution, or only a minimal contribution, to the medical premium which is payable by the citizens in those provinces even though the federal government pays 50 per cent of all hospital and medical costs.

Some people work for employers who under a collective agreement or voluntarily pay for part of their medical care premium. Such contributions made by employers are then added to employees' incomes. Again, any payments which workers make themselves for medical coverage are in no way deductible for income tax purposes. These taxpayers are treated unfairly, and I hope the Minister of Finance will give serious consideration to rectifying this unjust situation.

The second point I wish to raise today concerns the necessity of bringing relief through tax reform to taxpayers who are burdened with heavy medical expenses in respect of special treatment either for themselves or for their dependants. I refer particularly to those with dependants suffering from perceptual or learning disabilities and those who are afflicted by paralytic diseases.

Included in the expenses they have to bear is the cost of transportation which in many cases is enormous, especially where treatment or care is not available in Canada. What is unjust is the attitude of provincial medical or hospital agencies which refuse to recognize such expenses as insured items. I therefore ask the Minister of Finance to provide that transportation expenses, whether incurred inside Canada or outside Canada, be allowed as deductible items when they are associated with an illness under the care of a physician or by referral.

The other representation I wish to make concerns medical expenses incurred in rehabilitation centres or nursing homes and services rendered by paramedical personnel. I believe such expenses and services should also be tax deductible. Canada's national health cost would be greatly reduced if these services could be rendered at home or outside a hospital specially equipped for the treatment of acute cases. In Toronto, for example, occupancy of a bed available for the treatment of acute cases costs between \$50 and \$99 per day. This is a great expense, not only to the province but to the federal government. If we could encourage people to seek treatment in rehabilitation centres, nursing homes and similar places I believe our national health costs would diminish.

• (4:00 p.m.)

Mr. Dinsdale: Mr. Chairman, I should like to take a few minutes of the time of the committee to ask a question for the purpose of clarification. Last evening a discussion was initiated by the hon. member for Kent-Essex with respect to section 110(1)(c)(xii), which reads as follows:

—for any device or equipment, not described in any other sub-

[Mr. Haidasz.]

paragraph of this paragraph, or a prescribed kind, for use by the taxpayer, his spouse or any such dependant as prescribed by such a medical practitioner—

I take that section to mean that if a medical practitioner prescribes the use of a special device or equipment in connection with a severe disability or illness, automatically it is deductible for income tax purposes. The reason I raise this point for clarification is that, as reported at page 9068 of *Hansard* for yesterday, the minister said during the debate:

Certain things are prescribed in the act and the Minister of National Revenue is given certain latitude in determining those things which may be additionally prescribed. I should not like to prejudge decisions which will be made in this regard.

The Chairman: Order, please. The minister is rising on a point of order.

Mr. Benson: Mr. Chairman, perhaps I can clarify the situation for my hon. friend. What the act provides is that certain items are to be prescribed by the Minister of National Revenue. If such items are then prescribed by a doctor for individual patients, then they will be deductible. However, they must be allowed for in the legislation. Doctors are not given free rein to prescribe anything and everything, which is then deductible. If over a period of time different devices are required for the treatment of certain patients, previously we would have had to change the law each time. What we are now providing is that the Minister of National Revenue will be able, following submissions to be made, to prescribe the items that are deductible, and this will be done by Order in Council.

Mr. Dinsdale: Mr. Chairman, that does clarify the point I wished to make. May I make one further point with which I am sure the minister will agree; indeed, it has already been emphasized by the hon. member for Parkdale. One of the most crippling financial burdens is chronic illness or severe disability. I hope that the situation under the old act, where it was almost impossible to get the government, the department or Minister of Finance to be flexible in these matters, is not going to be repeated in the new act. This is why I want it expressed in quite specific terms at this time that if a medical practitioner does prescribe, in accordance with the provision to which I have just referred, a device or piece of equipment which is not in the allowable list at that particular time, there will be reasonable flexibility in making this device available.

Mr. Benson: Mr. Chairman, there will be a great deal more flexibility. The Minister of National Revenue will recommend to the Governor in Council that specific items be put in without his having to come back to the House and introduce tax legislation, which normally is only done four or five times a year when we have budgets.

[Translation]

Mr. Fortin: Mr. Chairman, yesterday evening I spoke on sections 109 and 110 grouped together for discussion purposes, and my colleagues introduced on several occasions many amendments which were ruled out of order and which were intended to increase basic exemptions.

Our arguments have to be replaced in their context if we are to be clearly understood.