

*Income Tax*

**Mr. Pinard:** Would the hon. member allow a question on the amendment?

**Mr. Laprise:** Yes, Mr. Chairman.

**Mr. Pinard:** Mr. Chairman, would the hon. member indicate whether his amendment entails an extra appropriation under Bill C-11? If so, did he obtain the Governor General's recommendation, as provided under Standing Order 62?

**Mr. Laprise:** Mr. Chairman, it is not for me to seek such a recommendation. If the minister accepted the amendment, it would be up to him to apply for such recommendation if required, although I am not sure it is required in the first place. There is no problem.

**Mr. Pinard:** Mr. Chairman, I respectfully submit that this amendment ought to be rejected because it is out of order. Since the hon. member said he does not need to apply himself for the Governor General's recommendation, I assume he recognized he was seeking an extra appropriation. And since there is no recommendation, it seems the amendment is out of order. I would ask the Chair to reject it as such.

[English]

**Mr. Knowles (Winnipeg North Centre):** Mr. Chairman, perhaps I might say a word or two on the point of order just raised by the parliamentary secretary. If I understand the amendment correctly, it does not request that more money be paid to someone. This is not a money bill of the kind to which there is attached a Governor General's recommendation. This is a tax bill. We have been over this matter scores of times. It has been ruled that an effort by means of an amendment to reduce the amount of tax payable is in order. All the hon. member is seeking to do is reduce the amount of tax payable by increasing the amount of these deductions.

[Translation]

**The Assistant Deputy Chairman:** Order, please. I do not believe we need go any further into that. The hon. member for Winnipeg North Centre (Mr. Knowles) just explained this very well, in the same terms I would have used myself. Specifically, the amendment does not seek any extra appropriation, it simply changes the tax structure. Therefore, the hon. member's amendment is valid, and we are now discussing it.

[English]

**Mr. Stevens:** Mr. Chairman, when dealing with this amendment, I hope the hon. member will correct me if I misinterpret what he has proposed. I understood he would like to have the maximum amount that may be deducted as an expense allowance raised from \$250 to \$400.

● (1552)

The minister spoke yesterday on this amendment, and I am very sorry he is not able to be with us today, because his colleague, the Minister of Employment and Immigration,

seemed to be quite testy today because the bill was not receiving hasty passage.

I suggest the ministers get their act together. If they want legislation passed through the House, they should try to be present here. However, I will come back to that later. On Monday, the Minister of Finance, in dealing with the amendment now before us—that is, the government amendment which proposes to raise the expense allowance from \$150 to \$250—said that it would cost an estimated \$115 million so far as federal loss of revenue is concerned. Can the parliamentary secretary give us a breakdown of that figure? How many employees are involved, and what do they assume the rate of taxation to be?

**The Assistant Deputy Chairman:** Order, please. I have difficulty understanding the relevance of the remarks of the hon. member for York-Simcoe to the amendment before us.

**Mr. Stevens:** Of course my comments are relevant, Mr. Chairman. They are relevant to clause 4. I was saying that on Monday the minister told us that the total cost of raising the tax by \$100, so far as the expense allowance was concerned, was \$115 million. I ask the parliamentary secretary to give us a breakdown of that figure, following which I will ask him for an estimate, based on that reasoning, of the cost of raising the exemption as suggested in our amendment from \$250 to \$400.

**Mr. Lumley:** The \$115 million to which the minister referred a couple of days ago will affect approximately 6.5 million taxpayers in Canada.

**Mr. Stevens:** I do not have a calculator with me, Mr. Chairman. Can the parliamentary secretary tell us what he assumes will be the average tax the 6.5 million people will be paying, and the average percentage the government will be losing by raising the limit by the extra \$100?

**Mr. Lumley:** I am sorry, Mr. Chairman, but I do not have an answer to that specific question. I will try to obtain that information.

**Mr. Stevens:** If they are able to calculate the cost of the increase of \$100 to which I have just referred, can the parliamentary secretary give us an estimate of the cost if our colleague's amendment is carried; that is, to raise it from \$250 to \$400, which is a further \$150?

**Mr. Lumley:** As the hon. member knows, that is a very complex calculation and we certainly cannot do it right now. But if the hon. member insists, we can take the time to do it and will report back the answer.

**Mr. Stevens:** I think it is quite relevant if we are to vote on this amendment. I think one of the important things we have to know is how much money we are talking about. I believe all of us would love to give a \$1,000 exemption, but if we are to be responsible we should try to get an estimate of how much revenue we are talking about. I take it from the parliamentary secretary's response that we cannot simply multiply by 150 per cent the estimate of moving up by \$100. In other words, to