

Inquiries of the Ministry

by postal employees, will the Post Office Department expedite long overdue pay increases to its employees?

Mr. Speaker: Order. There is a good deal of opinion expressed in that question.

[Later:]

Mr. Lamoureux: Mr. Speaker, I should like to rephrase the question I asked a moment ago of the Postmaster General. In view of the impending slowdown of service threat by postal employees, will the Post Office Department expedite pay increases of its employees?

Mr. Speaker: Order. The same opinion prevails as before.

(Translation):

PUBLIC BUILDINGS

GRAND'MERE, QUE.—PLANS FOR NEW
POST OFFICE

On the orders of the day:

Mr. Gerard Lamy (St. Maurice-Lafleche): Mr. Speaker, I should like to direct a question to the Postmaster General. Could the hon. lady tell us if the plans for the Grand'Mere post office are ready?

Mr. Speaker: Order. I hope the hon. members will admit that questions about a post office, whether here or there, cannot be asked. Put it on the order paper, please.

(Text):

TRADE

CANADIAN EXHIBIT AT NEW YORK WORLD'S FAIR

On the orders of the day:

Mr. Jack Davis (Coast-Capilano): Mr. Speaker, may I address a question to the Minister of Trade and Commerce. Does the Canadian government intend to organize an exhibit to be shown at the forthcoming New York world's fair?

Mr. Speaker: That is definitely a question for the order paper.

(Translation):

INCOME TAX

REPORTED DELAYS IN MAKING REFUNDS

On the orders of the day:

Mr. Gerald Laniel (Beauharnois-Salaberry): Mr. Speaker, may I direct a question to the Minister of National Revenue. Further to the many complaints addressed to me by people from my riding, and particularly a few civil servants, can the Minister of National Revenue tell this house what is unduly delaying the income tax refunds for 1961.

Mr. Speaker: I am sure this question should be put on the order paper.

[Mr. Lamoureux.]

(Text):

WAYS AND MEANS

The house in committee of ways and means, Mr. Chown in the chair.

INCOME TAX ACT

Resolved,—that it is expedient to introduce a measure to amend the Income Tax Act to provide among other things:

1. That for the 1962 and subsequent taxation years the amount deductible in computing taxable income in respect of a child qualified for family allowance be increased to \$300 and the amount deductible in respect of other dependants be increased to \$550 each.

2. That with respect to income earned after March 31, 1962 a corporation whose principal business is manufacturing or processing (not including a corporation whose principal business is shipbuilding, mining, logging or the operation of oil or gas wells) be allowed to deduct from its tax otherwise payable an amount equal to 50 per cent of the tax on the first \$50,000, of its taxable income attributable to increased sales and an amount equal to 25 per cent of the tax on the remainder of its taxable income so attributable.

3. That with respect to its first taxation year ending after April 10, 1962 and the next succeeding four taxation years a corporation be permitted to deduct in computing income 150 per cent of the amount by which expenditures of a current and capital nature on scientific research in Canada incurred by it in the year exceed expenditures of a current and capital nature on scientific research in Canada incurred by it in its last taxation year ending on or before April 10, 1962.

4. That for the 1962 to 1966 taxation years both inclusive the deduction from tax allowed to corporations in respect of taxable income earned in a province be increased from 9 per cent to 10 per cent in a prescribed province in which arrangements exist for the replacement of federal grants to universities by additional provincial grants in accordance with the proposed amendments to the Federal-Provincial Fiscal Arrangements Act.

5. That with respect to taxation years commencing in 1962 a taxpayer be allowed a deduction from tax of an amount equal to the lesser of two-thirds of the amount payable for the year to a province as a tax on income from logging operations or $\frac{2}{3}$ of 10 per cent of the taxpayer's income from logging operations in the province, and the right to deduct in computing income amounts paid to a province as tax on income from logging operations be repealed.

6. That with respect to expenses incurred after April 10, 1962 any corporation be allowed to deduct in computing income the drilling and exploration expenses, including all general geological and geophysical expenses, incurred by it on or in respect of exploring or drilling for petroleum or natural gas in Canada and the prospecting, exploration and development expenses incurred by it in searching for minerals in Canada not exceeding its income for the year from oil or gas wells in Canada.

7. That with respect to expenses incurred after April 10, 1962 an individual be allowed to deduct in computing income the drilling and exploration expenses, including all general geological and geophysical expenses, incurred by him on or in respect of exploring or drilling for petroleum or natural gas in Canada not exceeding his income for the year from oil or gas wells in Canada.

8. That with respect to acquisitions after April 10, 1962 amounts paid by