

Income Tax Act

that left entirely up to the Minister of National Revenue and his department to make up their minds on, as occasion arises?

Mr. Harris: I do not put the valuation on it. The Minister of National Revenue does.

Mr. Fraser (Peterborough): Just within the past year, the teachers in private schools have had their board and lodging graded a little differently. Why was that done? I understand that is a new ruling on the teachers in private schools.

Mr. Harris: None of the officials are familiar with the case. If my hon friend will let me have details, I shall be glad to look into it.

Mrs. Fairclough: As I have said before, I am perturbed about the inequality of these provisions. I cannot see why one group of citizens is taxed in a different manner from another. That goes all the way down the line. It is not only a matter of the articles covered in clause 1, although that is rather wide.

It is all very well for the minister to say, "It is not our intention to go beyond the practices that have been established already by the department", but some of the district offices have varying practices. As a matter of fact, when we were considering in the estimates committee the estimates of national revenue, we had the minister and the deputy minister denying that certain practices took place, practices that we knew were in effect. Obviously the higher officers of the departments themselves do not know what takes place in the district offices and, unless specific cases are called to their attention, would never know.

The assessors go by the book. They must go by the book. You cannot give too wide a latitude at that level. Ministerial discretion is another thing, but if you are going to put these words into this act, then perhaps every assessor in the country will interpret them to mean that every child who walks into his father's store and takes a box of candy for his own use is going to have that added to his father's income. The minister will say that is ridiculous. I shall too, but I have seen instances where just such trivial things were charged to a person as added income. They add up over a period of time. I have heard assessors say, "You must take certain things," or "It stands to reason you would take certain things." They may say, "You must supply yourself with tobacco from the store"; but perhaps the man is a non-smoker. The imagination of these people sometimes makes one gasp. Yet trying to refute the statements of these assessors is a difficult matter. I have every sympathy with them because I know there are a great many people who make a habit of evading whatever they

[Mr. Monteith.]

can. It would be natural if these assessors should be suspicious on occasion, but I do not know why they should be suspicious of everyone in general until they have had some cause to be. This is a situation which obtains in every tax division office of which I know. If you are going to put these words into this act you are going to open the flood-gate for all sorts of assessments against taxpayers who are not in a position to defend themselves.

Mr. McCann: I cannot agree with the hon. member for Hamilton West when she states that the officers in the head office do not know what is going on in the district offices.

Mrs. Fairclough: All you have to do is to read the proceedings of the estimates committee.

Mr. McCann: No. The directives are sent out from the head office to all of the district offices, and there is a uniform interpretation which exists from coast to coast.

With reference to the amount which is regarded as income for board and lodging, that is fixed largely by the current rates in the community. For instance, there are some mining communities where they pay a wage, and a man has to make his own arrangements for board and lodging. In a mining camp I was in only a few weeks ago in the Blind River district, the rate is \$2 per day because that is the current rate in that community for board and lodging. So I think it is hardly fair to state that we do not know what is going on in district offices, because we do. We would not have much of a head office if we did not know. As I have said, directives go out which interpret the law according to the law, and those directives are the same in every district office.

Mr. Monteith: Mr. Chairman, I do not know whether this is quite in order or not, but I know you will certainly correct me quickly enough. I wonder whether I might put a question through you and through the Minister of Finance to the Minister of National Revenue. I should like to have the Minister of National Revenue go on record as agreeing with the Minister of Finance to the effect that they would not fulfil this wording suggested, that is, "the value of board, lodging and other benefits of any kind whatsoever".

The Minister of Finance has said that it is not the intention to collect on every item there is and actually to enlarge on the present situation at all, but I should like to hear the Minister of National Revenue agree that that will not be the intention of the Department of National Revenue despite the fact