

**2.14***White Paper Proposal*

3. Deduction for unemployment insurance contributions.

*Recommendation***Approved.****2.15***White Paper Proposal*

4. Changing jobs—deduction for moving residence when move is to location at least 10 miles closer to new job. Deduction only from income earned in new locality.

*Comments and Recommendations*

The proposal to allow employees to deduct the expenses of moving from one residence to another consequent on a change of job is an innovation in Canada and should contribute to the mobility of labour.

We were assured in testimony by government witnesses that the deduction would be allowed where there was a change of location of the job, even if no change of employer was involved, and that it would also be available to the self-employed. **We recommend that either the expenses be deductible in the year in which they are incurred, or that there be a carry-forward of one year for their deduction; for this purpose it seems that there should be some safeguard for the revenue, in the shape of a stipulation that a certain length of time must be spent working at the new location during the first year after the move.**

**2.16-2.18 OTHER DEDUCTIONS AND EXEMPTIONS***White Paper Proposals*

1. (a) Marital exemption (other than for supporting a spouse) only for a taxpayer who supports child or other relative who lives with him.  
 (b) No marital exemption plus dependant exemption where full time servant employed.  
 (c) No marital exemption for unmarried clergyman who employs servant.
2. (a) Additional exemption of \$1,400 for married man to be reduced by \$1 for every \$1 that wife's income exceeds \$100.  
 (b) Parent's deduction for children under 16 (\$300) reduced by \$1 for every \$2 income of child over \$900. For older children (\$550) reduced by \$1 for every \$1 that child's income exceeds \$950.
3. Additional exemption of \$500 for the aged, blind and those confined to a wheel chair to be continued.