

Income Tax Act

I do not wish, of course, to digress from the topic we are studying, but I think perhaps for the thought of those in the present House and for other times we should also look to the general lack of qualified mechanics that appears to be on the scene now as far as this trade is concerned. And I might just briefly perhaps propose to the House that in this deliberation at some time in the future it should look to the licensing of mechanics through the armed services. I will not take that idea too much further other than to say I have had representations that the licences supplied by the provinces primarily, should be looking toward the supply of more qualified mechanics. But right now we must deal with the motion put forward by the hon. member and look at the exemption with relation to the tax act.

The fact that self-employed professionals are allowed deductions for materials and equipment consumed in income earning clearly establishes that it is administratively impossible to audit such expenditures. This was a statement made by the hon. member in the course of the discussion on December 2, 1974. I think we have to look at this in the light in which it was put forward. Consider the term "self-employed professionals".

Is a mechanic a professional? I would like to think most of them are. So we should perhaps consider very strongly allowing the deduction for a mechanic whether he is employed by a garage or large firm or as a self-employed professional, because if he is giving his professional services to a garage he is really self-employed due to the training he has undergone. We do have lawyers who work for corporations and they are self-employed professionals. I think too often we tend to look at a mechanic or a tradesman and say he is not professional. I think that is one of the things that has seriously hurt this country. But of more concern is to have them look upon themselves as non-professionals.

I trust some consideration will be given to the motion put forward by the hon. member because basically I must say I am almost fully in agreement with it with respect to the use of the Income Tax Act by mechanics. I think we should perhaps go further and open it up to many of the trades that make this country a better country in which to live. I could mention, of course, just a few of the others—draftsman, I believe, masons, and carpenters among others. We should not limit our discussions or our openings in the income tax levy to just the mechanics. I must say I am fully in agreement with the motion and, bearing in mind the possibility of establishing a precedent and possible loss at this particular time to the tax structure of the Government of Canada, I would support it.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I should like first of all to commend the hon. member for Regina East (Mr. Balfour) for bringing to the attention of the House by way of his motion a very important matter and to say I am delighted to hear that the hon. member for Bruce-Grey (Mr. Douglas) supports that motion.

It is interesting to note that when this matter was debated previously—I think in December, 1974—it was supported by the hon. member for Regina-Lake Centre (Mr. Benjamin), a member of the NDP; by the hon. member for Assiniboia (Mr. Goodale), a Liberal, and by the hon. member for Nipissing (Mr. Blais), another Liberal. I note that the only Liberal who spoke against it at that

[Mr. Douglas (Bruce-Grey).]

stage was the hon. member for Sarnia (Mr. Cullen), presently Minister of National Revenue. I do not know whether that is the way to the cabinet—to speak against progressive motions of this nature. At any rate I am happy to hear the words of the member for Bruce-Grey. I hope he speaks for his party when he says he is in favour of it and supports it, and that at the end of this hour the government supporters in this House will give more than lip service in terms of their support and will allow the motion to come to a vote.

I believe the motion is a constructive one and, as the member for Bruce-Grey has said, perhaps it does not go far enough. This is not to say we ought to stop, in view of the support the motion has received, on the grounds it does not go far enough, having regard to the spirit in which it has been presented and the way in which it has been received. It is a step along the way and I think it would be a shameful thing if any of the hon. members opposite were to stand up and talk out the motion.

I do not intend to speak for very long. I think that if there is this kind of agreement in the House the motion should carry. We should perhaps go further to deal with the motion before us today. Let me say I believe it is important for the very reason the hon. member mentioned, namely, the fight against inflation. I wonder how many more young men or women might be induced into the trade, calling, or profession of mechanic if the incentive were given them to do so by removing the obstacle of the expensive purchase of tools they have to acquire. I am wondering if any hon. member has statistics that might indicate whether the infusion of new blood into a trade, calling, or profession would produce a great deal of tax revenue for the people of Canada as a result of that gainful employment.

● (1620)

It seems to me the government talks always in terms of restraint rather than recognizing that while there must be restraint in some areas—perhaps one is government spending, and others have been mentioned during the course of the last few days in this House—there is also a necessity to encourage productivity and gainful employment, and to encourage those who want to enter gainful employment in order to contribute in some way or other to their community.

There is the other side to the coin of restraint. This is important because of the metric system, whenever the government decides to introduce it. This will produce great expense for mechanics who must trade their tools in or, in the alternative, buy additional tools. This would be one way in which the government could recognize this impediment to the conversion to the new system and the burden it will place on mechanics who wish to convert.

In so far as the argument that has been advanced about justice and equity is concerned, let me say I have listened carefully to the debate thus far, as well as on the last occasion. I was in the House on December 2, 1974, when the earlier debate took place. I see no reason in equity why a mechanic, and indeed at some stage we could carry this through into other trades and callings, ought not to be treated in the same way as a lawyer, a doctor, an accountant, or perhaps an engineer, in respect of our tax system.