

Income Tax Act

but we should look at such situations perhaps with even more attention than is normally accorded to such procedural matters.

Mr. Speaker continued:

The proposed amendment terminates with the words "in lieu of the tax therein provided". These words, it is suggested, if they have a meaning would direct the Committee of the Whole to delete a complete provision from Bill C-155 and substitute in lieu thereof a new taxation provision.

Mr. Speaker went on to say:

The President of the Privy Council (Mr. Macdonald) has quoted section (2) of citation 263 of *Beauchesne's* 4th edition. I would agree with the hon. member for Winnipeg North Centre (Mr. Knowles) that this citation does not help the hon. minister's case at all. The effect of the citation would appear to support the proposition that a private member may move to substitute a taxation provision for a proposal in a government bill provided that it is estimated that the new provision would yield an equivalent in the amount of moneys to be collected. That would appear to be the logical conclusion which could be drawn from that citation. In this respect I fully agree with the hon. member for Edmonton West and the hon. member for Winnipeg North Centre, but *Beauchesne's* citation is based on *May's Parliamentary Practice*, 13th edition. This is the authority given by *Beauchesne* for his citation.

However, at page 733 of *May's* 17th edition it is stated: "The view which made the proposal of taxes dependent upon the demand for supply prevailed at the time when it became necessary to find a procedure which would protect the financial initiative of the Crown from being infringed by amendments. It tended to connect the Royal initiative exclusively with the amount of revenue which it was the object of a tax to raise. Hence, in early editions of this book, it was stated that 'the Crown has no concern in the nature or distribution of taxes.' Hence, also, amendments were at first permitted which proposed the substitution of a different tax for a tax proposed by the government (provided that both were estimated to yield an equivalent amount) on the ground that the necessity of new taxation to that extent had already been declared on behalf of the Crown. In modern practice this view is regarded as incomplete, and as requiring to be supplemented by the view that the Royal initiative in taxation implies the exclusive right to define the incidence as well as the amount of burdens to be placed upon the people, and that an amendment which transfers a burden to taxpayers not previously liable is an infringement of this initiative."

The principle outlined in the foregoing citation from *May's* 17th edition is also set out in section (1) of citation 276, *Beauchesne's* 4th edition. That has already been brought to the attention of the Chair by the three hon. members who took part in this discussion. At page 826 of *May's* 17th edition it is stated: "Amendments must not exceed the scope, increase the amount or extend the incidence of any charge upon the people, defined by the terms of the ways and means resolutions, as agreed to by the House, by which the provisions proposed to be amended are authorized."

Mr. Speaker's ruling continued:

May I again refer to page 826 of *May's* 17th edition where it is stated: "A new clause offered in committee on a bill, which proposed to alter the incidence of income tax as between landlord and tenant, was ruled out of order on the grounds that it increased the existing charge upon one of the parties.

An amendment moved in committee on a bill, proposing to vary the method of levying a new tax, was required by the Chair to be framed in such a way as not to increase the charge which would be imposed on any individual payer of the tax."

There is little question that the purport of the amendment proposed by the hon. member for Edmonton West is to reduce the tax in respect of transportation by some persons travelling by air and to increase the tax in respect of other persons. Even if the amendment is intended to affect precisely the same taxpayers and that, in theory at least, it means to provide precisely the same amount of revenue, it would of necessity transfer a greater burden of taxation to one particular class of taxpayers or to a particular group of taxpayers. In doing so it is suggested that the amendment is an infringement of the financial initiative of the Crown.

[The Chairman.]

Having referred to and quoted from the decision of Mr. Speaker, I feel I must follow it. Indeed, the authorities direct me to follow His Honour's decision. I should like to say, however, that in the helpful argument on the procedural acceptability of this motion emphasis was placed upon various citations which, as I have mentioned, are difficult to reconcile. It seems to me, in the final analysis, that I must be guided by the practices of this House as enunciated by Mr. Speaker.

Accordingly, following the precedent of Mr. Speaker to which I have referred, I must regretfully decline to put the motion of the hon. member for Winnipeg North Centre.

Mr. Knowles (Winnipeg North Centre): Too bad.

The Chairman: The hon. member for Regina East.

Mr. Burton: Mr. Chairman, earlier in the debate today we had some discussion on the question of medical expenses. I feel that this matter deserves further consideration, because section 110 at page 282 continues the present system which involves a threshold level of 3 per cent of income in relation to medical expenses before a deduction is allowed. I questioned the parliamentary secretary on this matter before the dinner hour and I was not satisfied with his answer. He acknowledged that there were arbitrary features to the law as it has existed and as it is proposed in this bill. That is not good enough, Mr. Chairman.

First of all, when the 3 per cent level was enacted it was possible for taxpayers to include the entire cost of a doctor's services, the entire cost of hospital services and a variety of other services such as are now included in subsection (i) (c) at pages 282-283 of the bill. Since then, Mr. Chairman, there has been a reduction in those items which qualify for inclusion as medical expenses: it is no longer possible to include the cost of a doctor's services or hospital services as medical expenses. A long list of expenses which do qualify is set out at page 282. But while the situation regarding those two major items of medical expense incurred by most families has been changed, there has been no change with respect to the 3 per cent threshold level in calculating medical expenses. Thus, I feel that it is very necessary for the level to be changed to keep up with the great change in the concepts of medical care and medical practice in recent years.

In the past we have had what might be termed curative medical practice; whereas today we are more interested in preventative medicine. I think we should not retain the concept as outlined before the dinner hour by the parliamentary secretary, namely, that only unusual expenses would qualify for deduction from taxable income. This is a thing of the past. If the government is to achieve the objective it is trying to achieve, namely, the reduction of health care costs without in any way impairing the quality of medical care, we must adopt new approaches.

● (8:20 p.m.)

Thus, I feel that it is necessary for us to look at the provisions contained on page 282 of the bill. I think one of the best steps that could be taken would be to reduce the threshold level above which taxpayers could deduct expenses incurred as medical expenses. At present that threshold is set at 3 per cent of taxable income.