

*Income Tax Act*

away from their residence we find they are entitled to reimbursement and to deduction of these amounts. Again, I have no quarrel with this provision but there is no limit imposed.

Then we have paragraph (f) in respect of a salesman's expenses. There is no limit placed on the expenses allowed to a salesman in carrying on his occupation. Of course, there are certain obvious problems and difficulties with regard to salesmen and I think some allowances have to be made for their situation. There is limitation, I suppose, in the act; no doubt the department clamps down on some situations. I have heard of various cases where they clamp down on unreasonable claims and I cannot quarrel with it. But there are no limitations written into the legislation.

• (5:40 p.m.)

With regard to transport employees' expenses, there is no limitation written into the act under paragraph (h) on page 18. So here we find a wide range of expenses allowed to various categories of people in carrying on their work. In many cases this is justified and a rational case can be made for this type of deduction. When we come to employees and the expenses which they have to incur in carrying on their work, such as the buying of tools and clothing, and so on—expenses which they have to incur themselves—there is a \$150 limit imposed. Thus, it seems that we have here a clear case of discrimination with regard to employees who have to work for a wage and who often have to incur special expenses in order to gain a livelihood.

I sincerely hope, as has been stated by other members, that the government will reconsider this section. The hon. member for Winnipeg North Centre made a perfectly reasonable suggestion providing for a higher amount provided receipts are supplied. I would have no quarrel with such a suggestion. There are various formulas that might be arrived at which would provide a reasonable basis for allowing a deduction for employees expenses.

I recognize that there are, of course, administrative and practical problems involved in carrying out any provision such as this. There will be people who will try to stretch the claims they make and who will find various ways of putting in unreasonable claims. These will have to be dealt with as they occur and legislation must be framed in such a way as to allow the Department of National Revenue to administer the law in a reasonable and effective way. I have no quarrel with such an approach, but it seems to me that after making allowance for the practical considerations involved in dealing with a problem such as this there is no rational basis for deciding on the ceiling proposed with regard to employees' expenses.

I hope that the minister and his parliamentary secretary—I see the parliamentary secretary in the front row and the minister in the second row, and I am not sure whether the pecking order has been reversed—will take this matter under advisement and will give serious consideration to the many reasonable requests that have been made for an adjustment in this provision. I suggest to the government that it would be to their credit to make reasonable adjustments in this regard.

In some ways, I suppose, I should not be asking the government to make such changes because if I wanted to

[Mr. Burton.]

deal with this matter in a partisan way I could say a word or two on it and then allow the matter to slip by, following which I could point this out to the people I might be visiting. I am attempting to be responsible and to bring about reasonable changes in this legislation because the minister and the parliamentary secretary seem to be in a benevolent mood today. I am not sure that this applies every day, but we are not far from Christmas and they might find it in their hearts to make a few reasonable, small changes in this bill which would mean something to a great many Canadians. These changes might make the legislation more meaningful to many people because, as I suggested during the consideration of a previous section of the bill, I am afraid there will be a great deal of disillusionment across Canada when the legislation goes into effect.

People will find that some of the benefits claimed for this bill by the government and its supporters are only an illusion and there will be a great deal of disillusionment as people see the many special concessions and benefits in the legislation for some of the privileged interests in this country. So when a reasonable suggestion is made for a change in the bill such as has been made with regard to this provision, I hope the government will take it under consideration and accept it in order that there can be a greater measure of justice for the working people of this country.

I hope that my representations have reached the minister and his parliamentary secretary and that we will hear some favourable words from them.

**Mr. Aiken:** Mr. Chairman, I have a point to raise. It is essentially on section 8, the matter of deductions; it also refers to section 6. In my riding there are a number of railway and transportation employees who have constant trouble with the income tax department concerning travelling expenses and away-from-home allowances. The trouble is compounded by the fact that there seems to be an uneven hand involved in making these allowances. I think it is more a case of neglect, or of not looking into it one year and making a detailed examination in the next year.

The railway employee has to make a certain number of trips away from home. Many of these people over the past years have kept track of the number of trips they make, the days they are away and the mileage that they travel. In the past many have been able to take a flat figure based either on mileage or trips; this figure goes through year after year and they are allowed their deductions for these away-from-home expenses. Then suddenly after four or five years they are refused the allowance on the old basis. They are asked for receipts for their hotel bills, restaurant accounts, and so forth, and of course they cannot produce them. There is a great problem there and a good deal of confusion among these employees as to exactly what criteria the department is using to establish away-from-home travelling allowances.

• (5:50 p.m.)

It is a fact that in some cases railway workers may sleep in the caboose and eat their meals from a lunch-box in order to save the few dollars they might otherwise spend. Sometimes they do, sometimes they don't; but I think it