

## GOVERNMENT ORDERS

[Translation]

### INCOME TAX ACT

#### MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Chrétien that Bill C-11, to amend the statute law relating to income tax and to provide other authority for the raising of funds, be read the second time and referred to committee of the whole.

**Mr. Eudore Allard (Rimouski):** Mr. Speaker, when five o'clock was called, I was saying that the farmer's income declined again this year. That has to change. In that respect, I would like to quote a letter I just received which reads as follows:

In this matter which has been going on for too long, the Federation always maintained a positive attitude and met its commitments so that this week the trustee again informed the Canadian Dairy Commission that an amount of over \$2 million was available to it as soon as it can prove it is entitled to it and met its obligations by sending the subsidy cheques to the producers.

Contrary to rumours you might have heard the Federation has in trust all the monies withheld and so informs the Commission, asking it to provide in writing a legal opinion concerning its right to withhold 25 cents on every class 1 hundred-weight. We are still waiting for the written legal opinion. Is the Commission trying to use blackmail to withhold an amount without having jurisdiction to do so?

The stratagem used by the Canadian Dairy Commission is as old as the world. "If you want to defeat your enemy, cut off his supplies."

So we were mistaken because we thought we were partners in the provisional comprehensive milk marketing plan, not enemies.

However, Quebec fluid milk producers do not give in to blackmail wherever it comes from.

The Minister of Agriculture, the Canadian Dairy Commission and all Quebec members of Parliament in Ottawa must be made aware of this situation. Therefore, all Quebec consumer milk producers will show their solidarity and voice clearly and loudly their intention not to give up to this kind of blackmail. They are respectable businessmen who meet their obligations and who expect the same from those with whom they deal.

In this regard, why does the Treasury Board not make the necessary funds available to the Minister of Agriculture to enable him to pay a part of the cost of the milk distribution program in schools put forward by the province of Quebec? Surely such a program can only result in increasing the consumption of dairy products among our youth while improving their nutrition habits. Besides, it can be expected that the school milk program which I have referred to will reach 175,000 school boys and girls no later than next December. Is it not a real success, Mr. Speaker? Why should the federal government not do the same in other economic sectors?

A few weeks ago, I read the following in a paper:

Quebec furniture industry, a victim of the federal government.

As a matter of fact, the article read as follows:

The federal government is responsible for the decline of another Quebec industry which was supposed to be viable, namely the furniture industry.

Why, Mr. Speaker? Simply because of a lack of leadership by the federal government which resulted in the Canadian furniture market being flooded with foreign products, so that

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furniture imports have increased by 26.3 per cent last year. Needless to say, the situation is such that an estimated 3,000 Quebec workers in the industry have lost their jobs since the beginning of the year. And yet, does the Quebec furniture industry not have an interesting future? Because of its inaction, the present government is the big culprit. Indeed, the market continues to be flooded with imports at the expense of local businesses. The furniture industry is not the only one affected, just consider what has happened in the footwear industry. In both these industries, the federal government has failed to protect local producers and has allowed the market to be flooded with foreign products.

With regard to the changes made in the Income Tax Act concerning the individual, we see that Bill C-11 recommends an increase of \$100 in the amount that can be deducted as employment expenses, raising the maximum to \$250. In this regard, on March 28 last, I asked the House, pursuant to the terms of Standing Order 43, for unanimous consent to present a motion to that effect. In short, I was asking, no more and no less, that section 8(1)(a) of the Income Tax Act be amended to allow deduction of all travelling expenses incurred by working people to get to work and come back home using public transportation, for tax purposes, provided vouchers were filed. In my humble opinion, the \$100 increase granted by the federal government is really not adequate.

Subject of course to some exemptions, most wage earners under the act as it stands can claim only up to \$150, a deduction equal to 3 per cent of the income from a job, when in fact it costs them anywhere between \$300 to \$600 a year to get to work and come back. I sincerely feel that it would be more advantageous if most workers or wage earners generally were encouraged to use public transportation to shuttle back and forth from work because, on the one hand, it would save a whole lot of energy, and on the other, it would save hundreds of millions of dollars paid out in subsidies by the various levels of government. So, in short, with my motion of March 28 last, I was asking the government to allow for income tax purposes, certain tax benefits to those who have to get to work; I feel that would have had rewarding results first, as I said, by saving energy, and then, by benefitting the worker. As usual, unfortunately, the federal government did not see fit to give effect to my motion. They tend to brush aside with a flick of the hand everything that comes from the opposition.

Then, there is inflation about which I should like to say a few words. The crux of the inflation problem lies in prices. Any inquiry into the causes of the inflation in prices should start out with an in-depth study of the mechanisms of prices as they relate to our monetary system. In addition, as price setting is an integral part of the monetary system, such a survey should of necessity include a detailed examination of the operations of that system. That being recognized, one can easily wonder why the mechanism whereby prices are set is so sadly lacking in our society. It has never been updated by our own bankers.

The rigidity of the transaction pattern has revealed itself as one of the major obstacle to mankind's progress and often only