

*Income Tax*

**Mr. Lumley:** Not only the doctor, to which the hon. member refers, has that, but so has every salesman—anybody who has to use a car for business. The doctor or salesman cannot claim expenses travelling to and from work in that deduction: absolutely nothing for personal use.

**Mr. Ritchie:** Mr. Chairman, I would like to say a few words on this subject. I might say I am inclined to agree that we should look at the increase to \$400 or some amount. In the United States they are having a violent argument over this so-called “one martini” lunch.

**An hon. Member:** A three martini lunch!

**Mr. Ritchie:** A three martini lunch. From what I read, it looks as if the three martini lunch is going to stay. Maybe a few other things will go—for example, stadium box seats—which will hurt the Grey Cup equivalent in the United States, or the hunting lodges. In addition, the clamp the United States put on large conventions outside the country has been a very great boon for the hotels, and so on, in that country. That is something we should think about. This is a very difficult topic to be fair about. I think there is one aspect I have not heard discussed in this House today, although I have not been here for the whole day. But it is the fact that for tradesmen there has been the problem of tools with the changeover to metric. Generally speaking, from what I have heard, a tradesman who requires tools needs somewhere between \$400 to \$500 to buy them.

**An hon. Member:** At least.

**Mr. Ritchie:** For instance, I was on the aeroplane the other day and an individual who is not a tradesman mentioned to me that his two daughters had two bicycles, and he could not do anything with them—

**The Assistant Deputy Chairman:** Order, please. Perhaps it would be helpful to the members if I reread the amendment. It is in French. We have an amendment to clause 4 which reads as follows:

*[Translation]*

That subclause 4(1) of Bill C-11 be amended by striking out lines 17 and 18 on page 3 thereof and substituting the following;

“er, equal to the lesser of \$400 and 3 per cent of the aggregate of”

And by adding thereto:

“or a deduction is allowed for all costs incurred while travelling to and from work by wage-earners using public transportation, on submission of receipts and vouchers.”

*[English]*

I would ask hon. members to limit their remarks to the amendment. Once we dispose of the amendment, we can return to clause 4.

**Mr. Ritchie:** Mr. Chairman, I was merely trying to point out to you that the \$400 limit for a tradesman to buy a new set of tools to cope with the metric system, which we in our wisdom brought in and which was the worst possible thing at this time because it will increase inflation and cause expense to

our working people, is certainly too little. Generally speaking, I believe within this year and the next year all tradesmen who buy their own tools are going to be required to buy them because this is the time of change. I would suggest, as has the hon. member for Winnipeg North, that it may be wise to look at this \$250 or \$400 and attempt to assess more carefully what the actual expenses are of individuals, so we can be fair in this regard. I did not feel it would be such an administrative nightmare as that which the parliamentary secretary has suggested.

**The Assistant Deputy Chairman:** The hon. member for Timiskaming.

**An hon. Member:** Which one?

**Some hon. Members:** Take the two at once.

**Mr. Peters:** With one of us coming from Ontario, and the other from Quebec, with exactly the same problems, we will probably make the same remarks and support the amendment which is on the order paper. Mr. Chairman, I am surprised the parliamentary secretary indicates there is some fairness in this provision. It is not fair, and everyone knows it is not fair. The doctor in the course of his duties has to drive to his office, to the hospital, he has to drive between the office and the hospital and maybe to a patient's house—although not too many doctors are making house calls these days—but they all have big cars and they all write off a portion of that expense. This is true with anybody in any particular job, except a straight worker—the guy carrying the lunch pail: he does not have the right to write anything off. We have allowed him, over the years, to get to the stage where he can write off \$150. You can call it what you like—for clothes, for tools or transportation. But in the other Témiscamingue riding, and also in mine, many of the mines have closed and to get a job the guy has to drive another 40 or 50 miles. When he drives, it lessens the amount of income he receives from the wages that he earns. If it happened to anyone else in any other category except the workers, he would be allowed to write off a portion of that expense. Before I entered this House I had a job where I had a car provided to me—and you were not allowed to drive it to church.

**An hon. Member:** Shame!

**Mr. Peters:** You were not allowed to drive it for groceries. That did not bother me, because my wife had a car and she could do those things.

**An hon. Member:** Could she go to church for you?

**Mr. Peters:** Yes, she could go to church for me if she wanted. They said you had to declare. This is one of the stupid things. There was a court case at that time over the amount you had to write off. It was suggested that you had to deduct 25 per cent of your car expense for personal use. I had two cars. I drove 50,000 or 60,000 miles a year. Certainly not much of that was for pleasure. When I filed my income tax return, I deducted 10 per cent for personal use, rather than 25