

Taxation Reform

these moving expenses. Since then many such letters have been written. The only answer received was that no consideration could be given under the provisions of the act. On May 3, 1967, when the present Minister of Finance (Mr. Benson) was minister of national revenue, he said:

In the particular situation you have outlined, I can readily understand the reluctance of these employees to move their homes—

He said this in acknowledging a letter written by the former member for Moose Jaw-Lake Centre. He then stated:

• (3:20 p.m.)

However, the expenses of travelling between a taxpayer's home and his place of employment are personal living expenses. The Income Tax Act specifically precludes personal living expenses being allowed as a deduction in computing the income of the taxpayer. This same position would prevail with respect to any living expenses incurred by such employees in Regina.

We realize that today, because of the rapid methods of transportation which are in existence in most places, often people live in one city and commute to another for the simple reason that they cannot obtain comparable living conditions and facilities at their place of employment.

The same minister of national revenue wrote on November 1 to the hon. member for Moose Jaw-Lake Centre suggesting the following:

Any recommendation for a revision of the present legislation would be a matter for the consideration of my colleague the Minister of Finance, as he is responsible for bringing such changes before Parliament.

I would like to bring to the attention of the House the fact that the then minister of national revenue and the present Minister of Finance (Mr. Benson) are one and the same person. Surely, in view of the consideration which he gave back in 1967 to this type of change, which was made necessary as a result of the movement of people from one area to another, the present Minister of Finance could have done much better than propose a maximum deduction of \$150 for moving employees to their place of occupation. If the Minister of Finance were as sincere as he appears to be in his television broadcasts and in the films in which he appears once in a while, he would understand the plight of these people and consider allowing further deductions for personal expenses above maximum of \$150.

When letters were written to the minister of national revenue in 1968 dealing with the [Mr. Skoberg.]

same subject, replies were received from the then minister of finance in which he said:

The Royal Commission on Taxation made some recommendations regarding the treatment of certain expenses incurred by taxpayers as a result of their employment which the government is presently examining. You may be assured that your comments and views on this matter will be kept in mind during this study.

So a number of ministers have suggested that they are concerned about this matter, but the best they have been able to do is to come up with a 3 per cent deduction in wages and salaries, while admitting at the same time that employment income and business income are not the same type of deductible items. Surely this government accepts the principle that they should be treated as one and the same, and it should allow the same deductions to be made in respect of employment and business income.

As late as October 1968, December, 1968, and March 1969, all letters addressed to the department have indicated that the government should be primarily concerned with the subject which I have raised this afternoon. If any concern had been felt for the people to whom I have referred, the government would have done something about this matter.

The same situation exists with regard to people whose jobs necessitate travelling on the highway. They have to be out on the road and must pay their travel expenses when they are away from home for long periods of time. These people, also, have not been given any consideration.

I should like to refer to another representation which has been made by the elevator construction people of the Saskatchewan Wheat Pool Employees' Association. On August 25, 1969, they wrote to the Minister of Finance. It would appear that the minister has failed to recognize the representation these people made to the department. They point out in their letter:

This ruling although welcome created an even more obvious discrimination in that workers employed by the same company and often engaged in work of similar nature at the same site, are in some cases allowed to deduct the value of their expense allowance from their taxable income and others are not. The criterion for determining their eligibility to deduct the expense allowance being based solely upon the definition of what work is considered to be new construction or only the repair of an existing facility.

Once again we have the situation of the haves and the have-nots. Surely if this government is sincere in bringing about tax reform—that is a strange word for the government to use at this time—it should take