

Income Tax Act

This is why, Mr. Speaker, in view of the fact that this sub-amendment does not involve just one class of workers but also the professional, the poor, the low income people, the average citizens and all the taxpayers, and because it is aimed directly at reducing taxes for all taxpayers if the committee should accept it, I humbly submit that it is in order.

• (5:20 p.m.)

[English]

Mr. Deputy Speaker: The hon. member for Winnipeg North Centre.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I do not wish to speak at this point. I should like to do that later. May I ask the hon. member a question. I wonder if he realizes that the question Your Honour was raising, if I understood Your Honour correctly, had to do not so much with the substance of the proposed subamendment, but rather you were wondering if it is relevant to the amendment. I will have something to say on that point. Perhaps the hon. member would like to speak on that aspect as well.

[Translation]

Mr. Fortin: Mr. Speaker, I wish to thank my hon. friend from Winnipeg North Centre (Mr. Knowles) for reminding me of this particular point which I just mentioned earlier, but in my opinion this sub-amendment is obviously desirable since it would permit taxpayers to claim part of the expenses incurred in producing the income mentioned by the member for Winnipeg North Centre.

The amendment presented by the hon. member from Winnipeg North Centre, as my colleague for Abitibi (Mr. Laprise) has said, is aimed at producing a net income. In effect, the amendment of the member for Winnipeg North Centre reads partly as follows, and I quote:

... and in particular for the purpose of reconsidering the changing of the figure "17 per cent in line 33 on page 313 to "2 per cent" and consequently reducing the amount at the beginning of each of the paragraphs ...

And then he lists them.

Mr. Speaker, the hon. member for Winnipeg North Centre wanted the net income of the taxpayer to be considered and reduced by \$75. Our amendment concerns precisely the situation prevailing before the net income is established, and is designed to determine what is that net income. The amendment moved by the hon. member for Winnipeg North Centre presumes that the computation of the tax has been done and that, on the whole, the tax rate is being reduced in order that the reduction may amount to \$75. We are saying that the gross income should be taken into consideration and include larger employment expenses, in order to allow larger deductions, after which is obtained the net income to which applies the amendment of the hon. member for Winnipeg North Centre.

In my opinion the sub-amendment is closely related to the amendment, since both directly affect the taxpayer's income, regardless of his situation. One allows the other to better determine the gross income so as to obtain the net income. In the end, if the amendment and the sub-amendment are passed, the taxpayer will be allowed a tax reduction thanks to the proposal of the hon. member for

[Mr. Fortin.]

Winnipeg North Centre, because the deduction of expenses relating to the taxpayer's employment will have been accepted, as was suggested by the hon. member for Abitibi.

I believe Mr. Speaker, this is a further reason for ruling this amendment in order.

[English]

Mr. Mahoney: Mr. Speaker, unfortunately the hon. member has not provided us with a copy of the amendment in either official language. This makes it difficult to contribute to this debate on the acceptability of this amendment. May I suggest that the Chair may wish to take this question under advisement and if, tomorrow, there is still a disposition to argue the procedural matter, we could do that when the bill is called. I regret that, so far, I am not in a position to contribute to the debate. In fairness, I think we should be given the opportunity to do that.

[Translation]

Mr. Fortin: Mr. Speaker, I rise on a point of order.

I should like to apologize to the hon. parliamentary secretary, but my colleague from Abitibi had ten copies of the sub-amendment a moment ago, which he gave to the House employee who usually distributes them to the members.

I can see that the parliamentary secretary now has in his hand a copy of the sub-amendment. Perhaps he could make some comments and say whether he agrees to it.

[English]

Mr. Deputy Speaker: I wish to indicate that the Chair has no doubt about the ruling that should be made. If other hon. members wish to contribute to the debate, I will hear them, although I am quite prepared to rule at this point.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, the way you said that must have sounded a bit ominous to my friends.

An hon. Member: Why?

Mr. Knowles (Winnipeg North Centre): Mr. Deputy Speaker said he is prepared to rule. Perhaps I should not try to read his mind. I thought he would give a negative ruling. May I also, in this connection, support the suggestion made by the hon. member for Calgary South (Mr. Mahoney) that the decision might be delayed.

I wish to make a particular point to Your Honour. I see difficulties with this subamendment procedurally. As for its substance, I like it, although I think a tax credit would have been better. Procedurally, however, I see difficulties. One of the difficulties I see, and I suspect this concerns Your Honour, stems from the fact that the amendment which I moved calls for a reference back to deal with a specific section, namely, section 117(1) as set out in clause 1 of the bill. The proposed subamendment deals with a different section altogether, section 8(1)(a), although this, too, is in clause 1 of the bill. I certainly foresee difficulty in that respect. As for the substance of the subamendment, I think the hon. member for Lotbinière (Mr. Fortin) has made a good case. In other words, if it were being presented by itself as a new amendment on third reading