

Income Tax Act

some of the concerns of certain people. However, on examining more closely the December 13 transcript, I wonder whether any really worth-while and meaningful debate has gone on in the other place on this subject. Have the concerns of people on the subject of tax reform really been considered? Also, it will be interesting to see whether the debate in the other place after Friday lasts one day, or perhaps two days. Really, this is just a variation of the old horse-trading game. The minister is playing Russian roulette. He is holding a revolver, and one chamber is loaded. I think he is wondering whether he should pull the trigger and risk firing the gun. It will be strange to see what happens over there.

I agree that we can accept many parts of this bill. Naturally, there have been improvements in many areas. Nevertheless, the people I have heard from and people who have written letters still think that the public has not been adequately informed of the nature of the bill. Many do not know of the adverse effects it will have upon the individual, upon groups and on corporations. Since the government has decided to use closure, the public will never know the truth about the bill until it is too late. A credible government knows that it must be concerned about the public. The people ought to have the opportunity of knowing what the bill is all about and, in particular, what the amendments to the bill are all about. These amendments go to the very guts of the bill. Unfortunately, the public has not been adequately informed about the effects of many areas of this bill.

The people ought to have been informed, but they have not been. At the very time when this nation could be and should be one of the richest nations in the world, and when it is in a position to provide for decent living standards for all in Canada, the government has refused to recognize that basic exemptions ought to be increased and that the tax credit system ought to be adopted. My colleague from Winnipeg North Centre spoke on this yesterday. The average taxpayer is chiefly concerned about certain real, practical problems, and these are the areas to which I should like to refer briefly this afternoon. It is in this connection, I believe, that the government should have acknowledged there was a reasonable basis to the arguments put forward from this side of the House and that there was certainly room for improvement. For example, the bill still allows for only \$150 or 3 per cent of a taxpayer's aggregate income with respect to tools used in the course of employment, and so on. Naturally, I shall not attempt to discuss the various sections in detail on third reading. But surely the government could have raised the allowance to \$500 at least. We all know that \$150 is a mere token. At one time I thought we had succeeded in getting through to the parliamentary secretary—that we had been able to impress on him the importance of making the allowance \$500 instead of the measly token figure which has been adopted.

● (4.10 p.m.)

I would be remiss if I did not congratulate the parliamentary secretary and those responsible in the department for amending the bill so as to make better provision for certain railway employees whose work takes them away from their homes or home terminals. Those affected will be very pleased to know that this amendment has

[Mr. Skoberg.]

been brought in and accepted, particularly since they have not enjoyed the benefit of any remission of taxation in this area whereas other people in similar situations have. The point has been a most contentious one for many years and again I congratulate the minister, the parliamentary secretary and his officials for bringing in this amendment, at least.

We sought to impress upon the government that there were still many people who did not receive the benefits of tax exemptions to which they are really entitled. They include carpenters, repair men and virtually all those who are obliged to travel long distances to obtain or retain employment. Whatever may have been the case in the past, the fact is that today a great many people have no choice but to travel long distances to obtain employment or keep the employment they have, due to seniority clauses and so on. The parliamentary secretary suggested that the collective bargaining approach might be used to place these people in a more equitable position. He said the fact that people lived miles outside a city and had to drive long distances to work did not mean their transportation costs should be allowed as deductible expenses. The hon. gentleman failed to realize that today large numbers of people have no idea how long a particular job will last. They cannot rely upon employment being available to them at the same place week after week. Does he consider that they should pack up and move every time they obtain new employment so as to be near their place of work? The whole subject of the mobility of labour, and mobility grants under certain conditions, would need to be re-examined. We in this party suggested that the type of transportation costs to which I have referred should be allowable for deduction, certain safeguards having been provided. And I am sure regulations could be devised so as to prevent a misuse of this concession, though I recognize this must be one of the aspects about which the government is concerned.

When we are considering the subject of allowable expenses, we ought not to overlook the important part played by individual taxation offices across Canada. The trouble is there is no set standard as far as these offices are concerned. To support this contention I need do no more than quote briefly from a letter which my hon. friend from Temiskaming (Mr. Peters) has received from Capreol. The letter points out that in the Capreol area a flat arbitrary maximum allowable rate of \$1.75 per meal has been set by the local taxation office. This rate per meal has been in effect for several years without regard to the substantial increase which has taken place in the cost of living. The writer of this letter goes on to say:

It is an established fact that the total increased cost of living in the north with respect to housing, fuel, food, clothing, etc. is greater than it is elsewhere. This total extra cost is reflected in the price of food purchases and restaurant meals at away from home terminals. Merchants and restaurateurs in the north of necessity base their prices on these total higher costs, not merely on the higher food prices.

The situation would not be so bad were it not for the fact that the Department of National Revenue invariably uses a double standard when assessing allowable deductions for meals. Invariably one rate is set for business people or executive types and another for the men in overalls. I am pleased to note that provision is now being made for exemptions of this type affecting broader