

thing to do. What the minister has said is true up to a point, but only up to a point. In the case of individuals—take members of parliament—with a fixed annual amount of income the argument is sound, but in respect of income over a fixed, constant, yearly amount the point is not well taken. There is not a man in this house who comes within the provisions of this requirement who can say now what his income over and above a fixed annual amount will be, and yet if his twenty per cent payment based on his last year's income is insufficient in relation to what will be his full income for this year he has to pay a penalty. It is not called a penalty, but he has to make an interest payment of eight per cent, or whatever the rate may be, on the insufficient amount. By what principle can that be justified? In the case of individuals who know that this year they will receive a fixed amount by way of salary, there perhaps should be an interest payment as a penalty if they do not take that into account in making their return and the twenty per cent payment. But in respect of an incalculable income, surely it is not fair, and surely it is not intended. I put this to the minister: Suppose that an individual pays more than he should pay on March 31 and then finds at the end of 1943 that he has paid a greater amount than the law requires him to pay, will the crown pay him interest on the excess amount he paid? Surely, if the principle is correct in the one case it should be correct as a general proposition. I suggest to the minister that an individual may well take the position now, if he has made no payment at all on March 31 that since this is not as yet a statutory requirement there is no law which requires him to pay anything. I assume the bill will be retroactive to cover the period to March 31. What would then be the position? First, the individual would be penalized on something, which he could not fully and properly calculate; and secondly, he would be called upon to pay a penalty—a "penalty" within the generous meaning of that term—when the law at the time the payment was due did not cover the point.

I had thought that this point had been settled. I discussed the matter with the officials of the department, and I had understood that there would be no penalties in respect to insufficient payments. I strongly urge the minister that, if that is not now the policy, he should reconsider it.

Mr. ILSLEY: I think now the hon. gentleman might answer the question put to him by the hon. member for Victoria, Ontario

[Mr. Martin.]

(Mr. McNevin): what unfairness is there about charging a person interest on money which he owes and has not paid?

Mr. HANSON (York-Sunbury): He does not owe it under the law to-day.

Mr. ILSLEY: Oh, not to-day, no; of course not. About this first payment, I do not disagree with very much that anyone has said. But that is not our fault; we have been trying to get this through since March 2. As a matter of fact, people did not legally have to put their form in by March 31, but we could not wait till March 31 before we sent out the notice, because that would be an irresponsible way for a government to act. But the argument of the hon. gentleman is general; it is not particularly about March 31; it is about every one of these quarterly dates; he is suggesting we should not have any interest chargeable on overdue payments. I do not see why not.

Mr. MARTIN: On insufficient payments.

Mr. ILSLEY: On insufficient payments. I do not see why not. Otherwise you get discrimination between one person and another. One honest man estimates carefully and conscientiously the amount he owes, and he pays it. Then he runs across some fellow on a train somewhere who tells him he is a fool to have done so; that he himself put his return in for about half; and there is nothing you can do with him because there is nothing in the law. That is the result you would get. We will take into account the representations which have been made here. The hon. gentleman asks, if there is an overpayment will there be interest from the crown? I say, no.

Mr. MARTIN: Of course not.

Mr. ILSLEY: It seems so obvious that a rule which works one way should work another. But the reason is that the crown does not know what a person's income is, whereas the person himself does know.

Mr. MARTIN: Oh, no.

Mr. ILSLEY: Well, he knows better than anyone else, better than the crown would know.

Mr. MARTIN: Supposing the minister were not minister of finance and his great and brilliant qualities were being exercised in the practice of his profession; would he, as a member of parliament practising his profession, be able to say what his income for this year would be? Obviously, no.