

whom a \$3,000 income would be considered a very tidy income. I would also remind him that \$3,000 a year is just twice as much as eighty-three per cent of the wage-earners of Canada received by way of income in 1942.

Mr. FRASER (Peterborough West): I wonder whether the minister would have to make an amendment in the second resolution to the same effect as the one he made in the first one. I should think that after the word "corporations" he would have to insert the same amendment with respect to trustees, and that the same would apply to resolution 3.

Mr. ILSLEY: I am not just clear as to whether it should be in there or not.

Mr. FRASER (Peterborough West): The minister cannot very well have it in the first one, and not in the second one.

Mr. ILSLEY: I am now told it is doubtful whether it was necessary in the first one.

Mr. FRASER (Peterborough West): The minister should not have it in one unless he has it in all three.

Mr. ILSLEY: We will look after that in the bill, anyway. We will be careful about that point when the bill is drafted.

Mr. HANSON (York-Sunbury): I have been struggling with a problem in connection with income tax which perhaps I might ask under this resolution. I have in mind a taxpayer with an earned income of \$5,000 and an investment income of \$7,000. He has charities amounting to \$1,000, leaving a net income of \$11,000. What is his tax, and how much must he pay, under this resolution? A man from the income tax branch is still struggling with that problem; at least I assume he is, because I have not heard from him. Perhaps he has not had time to solve it.

Mr. ILSLEY: I do not think it could be answered right now.

Mr. HANSON (York-Sunbury): Perhaps not. However, it is now on the record and it can be answered later. I realize it is a complicated calculation.

Amendment agreed to.

Resolution as amended agreed to.

3. That the returns of income in respect of the 1942 taxation year for taxpayers other than corporations shall be due on the 30th June, 1943, together with payment of one-third of the taxpayer's unpaid income tax liability not otherwise provided for herein, the remaining two-thirds to be due and payable on the 31st December, 1943;

Mr. HARRIS (Danforth): I am under the impression that the minister indicated we could discuss under this resolution the matter of absenteeism.

Mr. ILSLEY: I thought it was to be under resolution 6. We are still taking about 1942 income.

Mr. HARRIS (Danforth): And 1943, as well.

Mr. ILSLEY: No; that is just the date of payment. The hon. member is talking about 1943 income when he talks about absenteeism. I do not care very much, although we should stick to one or the other.

Mr. GRAYDON: It might be more convenient to the hon. member for Danforth if we had the discussion now.

Mr. HARRIS (Danforth): Yes, it would, because, as a matter of fact, I have occasion to be out of the city to-morrow.

Mr. ILSLEY: All right, we shall have the discussion now.

Mr. HARRIS (Danforth): I thank the committee, very much, now that the minister has extracted my confession as to why I wish to go ahead with the discussion now.

Mr. ILSLEY: But let us have it understood that all of this discussion must take place on resolution 3, and not part on resolution 3 and part on resolution 6.

Mr. HARRIS (Danforth): I am content.

The CHAIRMAN: Then the discussion will take place on this resolution. Yesterday I was called upon to make a ruling, and to point out that the onus really rests upon individual members in the committee for following the rules of the committee. I know that once an agreement is arrived at, hon. members will abide by it. I shall apply the effect of this understanding, just as I would any rule in committee; and I know hon. members will support me in that procedure.

Mr. HARRIS (Danforth): Already the matter of absenteeism, one of great concern to industrial life in Canada, one which should be a matter of great concern in our war effort, and which has a bearing on taxation, has been placed on the record. I have made the statement definitely that the rate of taxation of employees who work full time, and who want to work overtime, could be reduced, provided the taxation were spread over the whole field of those earning more than the costs of subsistence. The base could be spread and the rate reduced. I gave a few examples, and this evening I shall give one more example.