

Hon. Mr. DAVIES: Does this mean that section 11, as amended by Senator McKeen, is carried?

Some Hon. SENATORS: Yes.

The CHAIRMAN: Yes, section 11, as amended, is agreed to.

Now we come to section 12. Can you explain this, Dr. Eaton?

Dr. EATON: This section makes good a minor omission or loophole in the law. Ordinarily payments out of a pension fund are fully taxable in the hands of the persons receiving them. A question arose as to what the situation would be when a pension fund was wound up. This provides that where upon the winding up of a pension fund the funds are distributed, they are taxable.

Section 12 was agreed to.

Hon. Mr. HAIG: Mr. Chairman, I move we adjourn.

The committee then adjourned, to resume at the call of the Chair.