

legislation, and have it straightened out. I have several letters from farmers in connection with this matter, pointing out this discrimination. Therefore I am not the only one who is dissatisfied. I must say I am not satisfied with the minister's explanation.

Mr. CARDIFF: In many cases the farmer's wife has become the hired man, through force of circumstances. There are dozens of farms in Canada where only the husband and wife are left. They are carrying on in the best way they can. The farmer's wife has been forced to become the hired man; yet she cannot receive any remuneration for it.

Mr. ROSS (Souris): If I followed the minister correctly, he said that if a farmer's wife went to work for somebody else they would be entitled to the exemption of \$1,860. That is, if the farmer's wife went across the road to work for a neighbour, the farmer and his wife would be on the same basis as a married couple in industry; is that correct?

Mr. ILSLEY: Yes; that is correct.

Mr. ROSS (Souris): So that if they exchanged wives they would come under this \$1,860 provision. That is hard to understand, because I recollect the minister's stating a year ago that in order to keep these married women working they had to give them this consideration; is that not correct?

Mr. ILSLEY: I think I did say that, yes.

Mr. ROSS (Souris): It is a difficult problem, I realize, to have incomes filed for farmers' wives who do work; but this is a matter worthy of consideration. I am wondering whether there could not be some system worked out whereby the wife would make a joint declaration with her husband to the effect that she had done this outside work. I see some difficulties in connection with filing the returns, but I do think the farmer's wife deserves this consideration. Perhaps in some instances she is more deserving than the woman in industry, because she works longer hours and much harder. The fact would be recognized that they would be entitled to an exemption of \$1,860, as a couple. The minister has said that if she worked for a neighbour, coming home in the evenings, she would have this consideration.

Mr. FRASER (Peterborough West): The Minister of National Revenue has said the farmer's wife would be exempt from any side-lines, such as a sale of eggs, or commodities of that kind. If her income from that source was over \$660, the farmer and his wife would have a deduction of \$1,860, would they not?

Mr. GIBSON: That would hardly be classed as a side-line, if the income went up to \$660.

[Mr. Fair.]

Mr. FRASER (Peterborough West): Some of these farmers' wives have stands at the side of the road from which they sell eggs, and commodities of that kind.

Mr. GIBSON: That is part of the main portion of the farm.

Mr. WRIGHT: Oh, no; in many cases they are not. These women operate the stands as a side-line; they do it themselves. I know of many cases where the women are making \$660 from their stands on the side of the road, where they have the full run of the dairy herd. It seems to me there is certainly an injustice here. The minister says that a woman can work for a neighbouring farmer and receive wages, and that the results would be perfectly all right. But if she stays at home and does the same work she cannot be paid for it. This looks like discrimination. The minister should give the matter serious consideration, so as to remove that difficulty. I can tell him there will be tremendous discontent in agricultural communities, unless something is done about the matter. The drafting of equitable legislation may offer some difficulties. I do not think any legislation can be made absolutely equitable to everybody, but certainly it would appear that there is discrimination in the regulations as they now stand.

Amendment agreed to.

Resolution as amended agreed to.

8. That taxpayers whose chief occupation is that of farming may be allowed to carry forward for two years any farm losses, incurred by them in 1942 or any subsequent year;

Mr. CASTLEDEN: It seems to me that the discussion so far has brought out the fact that farming is more or less of an industry. Apparently, however, the farmer is not to be treated in exactly the same way as the wage-earner. If farming is an industry, then I say he is entitled to the same treatment as industry is receiving.

Industry is given a special exemption. A base period of from 1936 to 1939 is taken. In that basic period industry would show any arrangements for corporation or excess profits taxes. Industry takes that period, and from that you get the normal profit. If, through profits on war production, they increase their profits, then the increase is over that basic period. In the case of an industry which was busy arming Europe before the war the normal profits would be very heavy. The normal profits of industry were quite low in that period and naturally their excess profits are much higher. Farming is an industry which has been seriously depressed for the