

have to pay their quarterly instalments in June and September. Those of us who come from the prairies know well that doctors, lawyers, dentists and small business men have to carry the farming community very often from the spring until the fall. There is no income on many of these farms, and no matter how you try to arrange the law that accounts must be paid within certain times, it is impossible for people on the farms to meet their obligations during those months. It will be difficult for the business and professional people in the prairie towns to meet their obligations under this proviso. All I can suggest is that persons on the prairies who are liable under this resolution will of necessity have to make rather a low estimate of their income for the year in order to protect themselves, because, as has also been noted, we often find that in May or June there is a good prospect of a yield which will enable farmers to meet their obligations, but by the fall hail or frost will have entirely wiped out their ability to pay. I am thinking of the area around Rosetown. Two years ago when we had every prospect of a crop the farmers expected to be able to meet their obligations; then the crop deteriorated and the returns did not come in. I know one or two storekeepers who had thousands of dollars out that they could not collect that autumn. The method of delivery this year will also make it difficult for debtors to meet their obligations. Perhaps it will not be difficult for some business men to estimate; they know what deliveries will be, but it will be a difficult situation for the prairie creditors and also, I believe, for collectors. I do not know how you will get around it, but I wish to support the hon. member for Souris in the views he expressed, and I hope the department will give consideration to this problem.

Mr. ILSLEY: Under our system of taxation as it existed up to two or three years ago these taxpayers would be paying last year's taxes through this very period.

Mr. COLDWELL: I see that point.

Mr. ILSLEY: They would be paying last year's taxes beginning in April, two-thirds by the end of August.

Mr. COLDWELL: They would not be guessing and estimating though.

Mr. ILSLEY: No; they would know. But they would not be paying any more because they were guessing than if they knew. If anything, it makes it, I think, easier for them. Normally that person with the forgiveness of fifty per cent will be paid up for last year

by this time, and then he starts to pay one year's taxes in the present year. Had there been no transfer to the pay-as-you-earn system, he would be paying last year's taxes in the present year. Instead of that, he is paying this year's taxes this year, and those taxes are being strung out throughout the year.

Mr. ESLING: In past years the minister has recognized the necessity of giving three months in which to file the income tax return for the previous year, but I understand that the return for the 1943 tax must be in by December 31. Is that correct?

Mr. ILSLEY: No; payments on estimates must be made during the year, and the fourth payment is made at the end of December. The return, however, for the year 1943 is made on or before April 30, 1944.

Mr. ESLING: Does that mean the adjustment in connection with the 1943 taxes must be made by April 30?

Mr. ILSLEY: The complete and final return, in which the taxpayer says what his income was, in which he declares his income after he knows it, must be made on or before April 30, 1944.

Mr. LOCKHART: I wish to add just a word in connection with another class of people who will be definitely under a disadvantage by reason of these regulations. I believe these people were referred to this afternoon by the hon. member for Brantford City, who mentioned the people engaged in the construction industry, but I do not think the hon. member had very much knowledge of the situation. I should like to point out one or two of the highlights in that connection, in order to show the difficulties facing this large group of people of whom I am speaking. I am not referring to the large contractor, the man who is building factories and airports. I am referring to the man who at the present time is sending in applications for permission to build those urgently needed homes in our larger urban centres, where the Minister of Munitions and Supply has so definitely requested that such construction be stepped up as much as possible.

It was stated to-day that these men can estimate their income. In the first place they are definitely at a disadvantage because they do not know even yet what materials they can get. Many of us know of home builders' associations which have been organized in many of the large centres in an effort to protect this particular industry and prevent Wartime Housing Limited from taking away the benefits of private enter-