

earn as much as she likes without its affecting the deduction of \$150 from the husband's tax. That does not apply to investment income of the wife, but she can earn as much as she likes. The way the budget was at first, if she earned more than \$660 she was taxable as a single person and the married man lost his exemption; he also was taxable as a single person.

That was on the theory that the \$150 deduction from the tax of the married man was made in order that he might support his wife; that if he was not supporting his wife he did not need it, and therefore we did not allow it. In actual working out, it means that married women had a great incentive to stop work when they had earned \$660, and not on any account to earn more than that, because if they did they immediately increased their husband's tax bill by at least \$150, and I think something additional under the graduated tax. Therefore they started to leave industry, and I think some of the government departments, and there was a great uproar in the country about the folly of the government in framing a tax scheme which would make it desirable for married women to leave industry and the government service when we needed the services of everyone, as we do to-day. We had to cut that out in order to give the married women some incentive to remain at work. I do not want to raise grievances for people, but of course the person who has the grievance now is the single woman, who sees working beside her a married woman who has a husband to support her, and whose husband is getting an allowance on the assumption that he has a home and is supporting his wife when actually he is not supporting her, because she is working. But we cannot help it; we have to get these people to work and keep them at work, so that we had to make that change.

Mrs. CASSELMAN: Generally speaking the wife who works is either doing a double job, looking after her work and looking after her home, or employs extra help, perhaps a maid or a nurse for the children. I think if she is maintaining a home and working as well, any objection might be answered in that way.

Mr. ILSLEY: I will get plenty of letters from single women, as I have in the past, complaining about this favoured treatment of married women.

Mr. SLAGHT: Would it be all right for the minister to table some of those letters?

Mr. ILSLEY: Yes, I think I could table them all without embarrassment. But if we

get any complaints in this connection I will send an excerpt from *Hansard* of the remarks of the hon. member for Edmonton East (Mrs. Casselman).

Mr. GILLIS: I should like to come back for a few moments to the question raised by the hon. member for Yorkton (Mr. Castleden). So far as I am concerned the answer given by the Minister of National Revenue was far from satisfactory, in regard to the refundable portion of the tax: This portion is to be deducted at the source, but the minister says no scheme has been worked out as yet with respect to allowances, and his answer would lead anyone to believe that this was a rather difficult job. That may be so with regard to the individual who is working for a small organization, or who is employed on a farm on a seasonal basis, or something of the kind, but the regulations definitely make provision for allowances in regard to the portion of the tax which will be returned, provided that a certain part of the income is devoted to mortgage payments, hospital bills or insurance premiums. I do not see that there would be any difficulty in having most of the workers in Canada register their mortgages with their employers, as well as their insurance premiums. These are fixed obligations; they know what they will be at the first of the year, and the deductions do not begin until September. The employer is making the deduction and the return to the department, and there would be no additional expense or clerical work involved if the employer were given to understand that it was part of his obligation to advise his employees to register with him their mortgage and insurance obligations. Of course the hospital end of it is something they will have to take care of themselves.

I am not so much concerned with the income tax provisions of the budget. I think anyone who has sufficient income to have any difficulty in figuring out his tax at least is not going to be in want. I should like to clarify a statement made by the hon. member for St. Antoine-Westmount (Mr. Abbott) which might be misleading, though I do not think the hon. member meant it in the way it reads. He said that 75 per cent of the married people in Canada would be in the income bracket of \$1,500 per year.

Mr. ABBOTT: What I really meant, if I may interrupt, is that 75 per cent would be in that bracket or lower.

Mr. MacINNIS: Mostly lower.

Mr. GILLIS: I should think the statement would be correct if the hon. member had said 20 per cent, but if he means less than