

Mr. CASTLEDEN: That is the very point I am making—the fact that those who are getting less than the minima are being taxed by the government, and the money which they are paying is being held by the government. The machinery by which they can recover the money is so complicated that most of them just let it go. I undertook to follow up a case to see what the procedure was and what possibilities there were of getting these refunds. When the taxpayer inquired of the department, the dominion income tax division sent him a long form which he had to fill out. He had to give his name and address, the names and addresses of all his employers during 1940—and he had worked for several; he had to state whether he was married or single or a widower, the number of his dependents or dependent children, grandchildren, and whether they were wholly dependent on him; the number of dependent brothers and sisters under twenty-one; the reasons for his claims; particulars of income, gross salary, wages, bonus or other compensations; the value of board, subsistence and so on; gross dividends, gross interest—most of these chaps do not get very much of that—various deductions; the names and addresses of the persons making deductions at the source; the amount collected by each, and so on. He had to state what the gross income was from each of his employers. Many of these workers do not keep an accurate record so that they do not know what their employers have deducted; all they get is a cheque at the end of the week. He has to give the total income from these sources, one-half of the amount taxable for 1940, at 2 per cent or 3 per cent as the case may be, less credit for national defence, and make out a complete disclosure of total income from all sources for 1940, and so on. He has to state the name and address of his wife.

The form is so long and complicated that by the time this fellow got through with it he was not sure whether the information he gave was correct or not. He made out the form and sent it in, and so far he has not heard anything about it. He finally received a letter on July 28, 1941, referring to his request for refund. The department sent him the defence tax brochure with a full explanation, but since then he has received no information. I wrote to the inspector of income tax at Regina on April 30 of this year, and the last word I had was that nothing had been done in the matter.

If the government does not intend to tax these people receiving the lower incomes, there should be some method by which the return of the tax could be facilitated. If the

intention is to tax them, then there should be an impost in the form of a tax. Most of these chaps do not mind paying the tax; they have been without work so long that they are glad to get a little pay. If the government does intend to tax them, then I suggest that it should be made plain to them; otherwise the machinery for making the refund should be simplified and made easier than it is at the present time. I contend that there must be at the very least \$2,000,000 taxed from these people who are receiving less than the minima. That is my estimate of the amount which these people are being taxed, and I suggest that something should be done in this matter. Either they should be taxed openly, or the return of the refunds should be facilitated.

Mr. GIBSON: This is a very difficult problem. We have men who have been employed for short periods at high rates of wages; consequently the national defence tax has been deducted from the amount they received, and when they claim a refund those deductions must all be checked. The employer's returns must be checked with the claim which the taxpayer files, and that takes a certain amount of time. I know there are claims numbering many thousands, which will all have to be checked, and it cannot be done very quickly. It is necessary to secure the information that has been asked for in order that the claims may be thoroughly checked before refunds can be made of the amounts refundable. So far as the income tax department is concerned, every effort is being made to get ahead with these refunds as rapidly as possible.

Mr. CASTLEDEN: I realize that, but it seems to me that the machinery is too heavy for the amount of money involved. This man's refund does not amount to more than nine or ten dollars, and he would rather let it go than bother about it. That is the very thing I am pointing out. These people are not bothering about it; they are paying the tax. I do not know whether it is worth while keeping the machinery going if you are going to search through all the records.

Mr. GIBSON: If we did not check a claim for a nine dollar refund, we would have a great many nine dollar claims.

Mr. ABBOTT: I have a few observations to make along the same lines as those made by the leader of the opposition (Mr. Hanson) when he opened the discussion on this resolution, particularly that part of his remarks relating to the burden placed upon married men. There seems to me to be too great