

Mr. FRASER (Peterborough West): Is the department putting out instruction books containing examples for the information of the farmers, showing how to deduct what they consume on the farm, and one thing and another? Is the department getting out a booklet containing instructions of that kind?

Mr. GIBSON: Yes, we got out such a booklet last year, and it is being revised and will be made available again this year.

Mr. FRASER (Peterborough West): It contains examples showing the farmer how to work it out?

Mr. GIBSON: Yes.

Mr. JACKMAN: Would the minister explain this accrual item? I am not familiar with the farm forms, but I understand there is an alternative to the cash basis, under which you can take your inventory at the beginning of the year, take the stock you have sold and the stock you have added, and get your net inventory. How does it work out when you have arrived at your net income tax payable? Is there any change in the actual cost figures on the books of the farmer under this accrual method? Would the minister give the committee an explanation, because I am sure some of the farmer members do not understand how it works.

Mr. GIBSON: It is the same as any other business; if the farmer keeps his books as they are kept in other businesses, he would be on the accrual basis.

Mr. FAIR: Coming back to the question of the married woman working in industry or in an office, I am not sure that I understood the explanation given by the minister. He said that the farmer's wife may be working part of the time inside and part of the time outside. I would suggest to the minister that if he got up early enough he would find the farmer's wife up at about five o'clock in the morning; and if he happened to be around about ten o'clock at night he would find her still working. Therefore she does the work of the home and as much additional work as the city woman working in a factory or office does, if not more. For this reason I believe that if the married man and woman in the city are entitled to an exemption of \$1,860, then the same exemption should be extended to the farmer and his wife, and there should be no discrimination at all.

That is the first question I should like to ask. The second is whether the minister considers fifty cents a day an ample allowance for board for a hired man on the farm.

[Mr. Gibson.]

If the minister will answer those two questions, I shall have one or two more to ask him later.

Mr. GIBSON: The allowance for a hired man might easily vary in different localities. The rule is that the value of the board and lodging may be deducted as an expense and added to the wages received by the hired man. It might vary in accordance with the type of board and lodging being furnished. The amount of fifty cents has been set down as a guide for people, as an indication of what allowance should be made. It has been suggested that the allowance should be \$1. If you turn round and suggest to the farmer that he should include in his own income \$1 a day for the produce he consumes from his own farm, he might say that was considerably too high, while at the same time he might say it would be all right to charge \$1 for the hired man. It works both ways.

Mr. FAIR: I do not agree with that, because the man in the city is getting exactly the same allowance as the man on the farm, and I merely asked the minister whether he considered 50 cents a day was enough for board and room for a man on a farm. I may say that I have been checked up. In my own case I charged \$20 a month, and I was cut down to \$15, so that this seems to be a hard-and-fast rule rather than a guide.

Mr. GIBSON: They must have thought the board and lodging you were giving was not worth more than that.

Mr. WRIGHT: Does the minister suggest that the 50 cents a day is only a guide as to what a farmer may charge for board and lodging, or is it a fixed amount? I should like a definite answer to that.

Mr. GIBSON: The income tax department cannot set down any definite amount. We give that as an indication as what would be considered reasonable, but circumstances might vary. Under the act it is supposed to be the actual amount expended.

Mr. FRASER (Peterborough West): In the case of domestic servants do you not fix an amount of \$17 a month, or something like that?

Mr. GIBSON: There is a figure that has been put out as an indication, but we do not hold ourselves to any one definite figure in all cases.

Mr. FRASER (Peterborough West): It is set at \$17.

Mr. CASTLEDEN: In the case of a farmer who is going on the cash basis and who puts down his assets and his liabilities, is he allow-