

Hon. Mr. HAYDEN: What applies in the case of farming and fishing?

The CHAIRMAN: Section 11, 1 (a) of the Income Tax Act is not affected, which is the general section saying that you may recover capital in accordance with the regulations.

Hon. Mr. HAYDEN: The only regulations that are going to be made, are the ones under this bill. Are they going to be made in connection with farmers and fishermen separately?

Hon. Mr. McLEAN: What about the case cited this morning, of a farmer who bought an engine?

Mr. GAVSIE: He will not be able to get the write off.

Hon. Mr. McLEAN: Why, then, were we given this example?

Mr. GAVSIE: I think Mr. Abbott said that if these new regulations were not going to be applicable he would not get the benefit.

Hon. Mr. NICOL: What person or persons come under the definition of "a fisherman"? For instance, is the person who fishes for whales considered a fisherman?

Mr. GAVSIE: I think the terms are defined in the Act.

Hon. Mr. McLEAN: What about fishing companies?

Mr. GAVSIE: A company may have income from several sources, and the part of the income that relates to fishing would be governed by the regulations that will have to be made in respect to fishing.

Hon. Mr. HAYDEN: Fishing is defined at section 127, subsection 1 (t) of the Income Tax Act.

Hon. Mr. NICOL: What is a fisherman? We have large operators who fish and can their product. Are they called fishermen?

The CHAIRMAN: The definition of a fisherman as given in section 127 of the Act is as follows:

"Fishing" includes fishing for or catching shellfish, crustaceans, and marine animals but does not include an office or employment under a person engaged in the business of fishing.

That is a marine animal, I suppose.

Hon. Mr. HAYDEN: So it only covers the men who are actually engaged in the act of catching this fish.

The CHAIRMAN: "fishing for or catching". Now, farming is defined in subsection 1, paragraph (o) of the same section 127:

"Farming" includes tillage of the soil, livestock raising, raising of poultry, fur farming, dairying, fruit growing and the keeping of bees but does not include an office or employment under a person engaged in the business of a farming.

I take it that that is the employee of a farmer.

Mr. GAVSIE: That is a hired man.

Hon. Mr. NICOL: And it would include a gentleman farmer.

Hon. Mr. HAYDEN: It does not include the hired man.

Mr. GAVSIE: That is right; it excludes the hired man.

The CHAIRMAN: It is the occupation of farming or fishing; it is not merely an individual. Does subsection (2) carry?

Some Hon. SENATORS: Carried.