

Hon. Mr. McRAE: You must have a great many refunds of those deductions, because many farm employees do not earn to the extent of \$1,200 a year.

Mr. ELLIOTT: That is why in my evidence I stated there were so many refunds in a year. That includes farmers and all kinds of workers that have suffered tax deductions, but annually they are not in receipt of enough to make them taxable at the end of the year. Those deductions, as honourable members will recall, were a little over a million a year.

Hon. Mr. McRAE: To make this a little more workable, have you such a thing as a standard cash book for farmers in which to keep their cash accounts? If there is not such a book it seems to me it would be very easy to prepare a cash book and to have printed on the covers the tax exemptions and that sort of thing, so the farmer would have a record from year to year.

Mr. HANNAM: There are half a dozen of such books available. They are very simple books. The Department of Agriculture has one. Those books are available. It is not a case of a simplified book not being available. The trouble is that it is not the habit of farmers to keep track of every sale and every purchase. As yet the average farmer has not made a practice of doing that.

Hon. Mr. McRAE: That is true. It would be a very simple matter to do that.

Mr. HANNAM: Yes, and it would be better if he would.

Hon. Mr. McRAE: Is that because the farmer does not wish to pay the dime or twenty-five cents for the book?

Mr. HANNAM: No.

Hon. Mr. McRAE: I have one further question to ask Mr. Hannam: Mr. Elliott explained to us why it was more difficult and inconvenient for the Department to work on more than a three-year period. Did you not suggest four years? I think the question of five years came out during the discussion.

Mr. HANNAM: This plan that has been submitted to Mr. Ilsley for a moving average is on a five-year basis.

Hon. Mr. McRAE: That is a moving average.

Mr. HANNAM: Our Canadian Federation previously asked for a four-year period.

Hon. Mr. McRAE: A four-year period would be satisfactory.

Mr. HANNAM: Yes.

Hon. Mr. McRAE: Would that period be movable back and forth, and how far?

Mr. HANNAM: We mentioned this one plan that had been proposed to Mr. Ilsley, but we did not say that we endorsed it. We said this is an indication of what can be done. Perhaps it is too complicated. If that is so, no doubt a simpler form could be discovered. But in the case of the plan we mentioned it was a moving average.

Hon. Mr. McRAE: Could you give the committee a copy of that plan?

Hon. Mr. HAIG: He has promised that.

Mr. HANNAM: The plan was on the basic herd; yes, we can supply the plan. The point I wish to make clear, however, is that a Canadian Federation of Agriculture is not putting the scheme forward; we have not endorsed it, we are not putting it forward as the plan to be adopted.