

and merchandise. It applies then to what we ordinarily understand as movable property?

Mr. ROBB: The commissioner tells me that is what they understand as personal property.

Mr. MARLER: So the question I ask is fully covered by subsection 3 in accordance with the opinion of the minister?

Mr. ROBB: Yes, I would say so.

Mr. BAXTER: The answer may be applicable to the province of Quebec—about that I can express no opinion—but I would say that the term “personal property” in all the other provinces does not merely mean ordinary chattels, visible chattels, furniture, and that sort of thing; it includes every species of property which is not land or a freehold interest in land. For instance, a leasehold right in any of the English speaking provinces is personal property. Stock, shares, bonds, all that character of property is personal property. There is no use of anyone representing the department to say they interpret “personal property” as meaning goods on the shelves in the store, or something like that. You cannot limit the meaning in that way. The law is definite and until the act is changed there can be no such limitation. The department may not be enforcing the law but it will not be obeying the law it has called into being if it does not enforce it. Now as to the difference between real and personal property, the minister proposes to enact by this paragraph that the lien shall not have priority over any sale or pledge of personal property made to a bona fide purchaser or pledgee for value without notice of any unpaid assessment of the vendor or pledgor. Suppose it is real estate. It is not a very common thing, perhaps, in the eastern provinces, but in the western provinces it is an extremely common thing to have an agreement for sale. Suppose such an agreement has been entered into. Is it intended that whilst an agreement to sell personal property shall be taken out of the lien, if the agreement relates to real estate the lien shall attach even if there is equal ignorance, equal lack of knowledge, and equal lack of notification? Surely it was never intended to make a distinction of that character. I cannot see why they should not be on the same basis; cannot see that when a person honestly but ignorantly and without possibility of knowledge contracts to buy a piece of real estate we should penalize him and give better treatment to the man who undertakes to buy a piece of furniture. It does not seem

reasonable, I do not think such could be intended.

Mr. ROBB: There is no penalty to a man if he purchases land and has a certificate, but in the administration of 11 p.m. the act real estate is not recognized as personal property.

Mr. BAXTER: The minister says if he has the certificate. But I am trying to get him to see that subsection 3 applies to a case where he has not got it. The subsection reads “the lien hereby created”, and it is created after mailing a notice of assessment to a taxpayer. That lien, as created by the mailing of a notice, is not to have priority over a sale of personal property made under what circumstances? To a bona fide purchaser for value without notice at all. There is no need of getting a certificate there. If, for instance, there is an assessment against a big dry goods firm, a wholesale dry goods firm and you mail the notice. That dry goods firm is there and I go in and buy several thousand dollars worth of goods, several bales of woollens, we will say. Just because I do not know anything about it and just because I have bought in good faith without notice and for value, the law very properly, I think, says that that lien shall not affect the goods that I have bought. If it were to do so, you would not be able to carry on business. Where is the moral distinction between that case and the case of a man who, with equal amount of knowledge, with equal honesty, with equal good faith, has for value bought the right to have a bit of real estate at a future date? Why is he left open to this lien and the man who buys the dry goods is safe?

Mr. JACOBS: Surely the hon. gentleman sees a vast difference between a piece of immovable property and movable goods which are transferred into half a dozen hands sometimes in as many days? In the matter of immovable property, it remains there for all time. No person thinks of dealing in immovable property until he has a certificate of search made of the property. As I understand the matter now, a certificate must be obtained from the department as to whether the tax has been paid or not. If that were to be extended to movable property, you could not do business for five minutes in this country.

Sir HENRY DRAYTON: Does my hon. friend see why money bona fide paid for immovable property should stand in a different position from money bona fide paid