

Hon. Mr. FOWLER: Anyone who wants to get a copy of Dun-Wiman's report can buy it. It is the business men to whom this information is important. It is important to the business men to know the position of the people who are skating on thin ice. My honourable friend spoke about the banks. Everyone who goes to a bank to get credit has to show what he is worth. That is an argument against secrecy. I do not see why there should be any secrecy, and if there were less of it I believe that a great deal of money that now escapes would be brought in.

Section 10 was agreed to.

Sections 11, 12 and 13 were agreed to.

On section 14—penalties for short payments, etc.:

Hon. Mr. BOSTOCK: I presume that this is not going to be enforced very rigorously at the beginning.

Hon. Sir JAMES LOUGHEED: I think the complaint invariably has been that the Government has not enforced similar provisions with the same harshness that an individual would, or with the same degree of force. I think the public can rely upon the Government not doing anything unreasonable in exercising the rights which they may have.

Hon. Mr. DANDURAND: For a number of years the Department will have to act as schoolmaster to the taxpayers, who will need a great deal of coaching before they understand the Act. I would urge compulsory education in this respect.

Section 14 was agreed to.

Section 15 was agreed to.

On section 16—retroactive effect, etc.:

Hon. Mr. POWER: Honourable gentlemen. I should like to say a word before this Bill is passed. There is no doubt that the Income Tax law, as it stands now, is a very puzzling combination. The Act was passed I think in 1918; it was very largely amended in 1919; and now in 1920 we are largely amending it again. With respect to understanding the meaning of statute law. I think I am about equal to the average non-instructed person, and I find it very difficult indeed to tell just what should be contained in the return with respect to the tax. It seems to me, honourable gentlemen, that it is only the consideration which is due to the people who are expected to pay these taxes that they

should have the law before them as it is, so that a taxpayer should not be obliged to go and look up the law of 1918 or the law of 1919 or the law of 1920. The Department should see that the law as it stands now, with all its amendments, is placed where the ordinary taxpayer can consult it. That is a mere mechanical thing, but I think it is very important.

Hon. Sir JAMES LOUGHEED: It is the intention of the Department to do that next year.

Hon. Mr. PROUDFOOT: What is the effect of making clauses 1, 2, 4, 8, 11, 12, 13, and 15 retroactive? Personally, I am always opposed to retroactive legislation. The principle is wrong, and when I find that you are going to tax people or make changes in the taxation years afterwards, then I think you are doing something that should not be done.

Hon. Sir JAMES LOUGHEED: The intention is simply to give effect to the interpretations which have been placed upon the preceding Acts by the Department. This does not call into operation any new law; it is simply declaratory of the Department's interpretation of the statute.

Hon. Mr. PROUDFOOT: The section does not so state. Of course, that may be the intention of it, but I do not so read the clause.

Hon. Sir JAMES LOUGHEED: I think you will find that all the sections mentioned have been in operation since the passing of the Act.

Hon. Mr. PROUDFOOT: If that construction has been placed upon them, why the amendment? The construction apparently is satisfactory.

Hon. Mr. DANDURAND: This is an artistic way of making an interpretation clause.

On the preamble:

Hon. Mr. McMEANS: Before the Bill is reported, I would ask for some information about section 6. That deals with persons liable to income tax. It makes no exemptions whatsoever. As I understand, there are certain people in Canada who are exempt. There are the judges of certain courts. I know that certain judges of the superior court in Manitoba are paying taxes on the increased salary which they got, while the judges of the court of appeal do not pay any tax at all. This question has been the cause of considerable com-