

to know if this could not in some way be altered.

Mr. ROBB: My hon. friend was not in the House at the time, but this matter has been brought up already, and if he looks at Hansard to-morrow he will see my reference to it. It is quite new to me. It is a new ruling is it not?

Mr. WOODSWORTH: Yes.

Mr. ANDERSON: I should like to call the attention of the minister to one phase of this matter which has not been discussed. In connection with certain retail stores they have a system of keeping their accounts with a machine, and slips or statements are put in that machine and each statement contains or has on it an account up to that date. At the end of the month when the purchaser settles the account he receives the bills or slips that are in the machine. They are handed out to him and he pays his money, but pays no tax at all. There is no stamp put on the little slips or bills or invoices. In this way they avoid payment of the tax.

Mr. ROBB: Are they marked paid?

Mr. ANDERSON: No, just taken out of the machine and handed to him. There is nothing in the machine to show the customer owes anything. Consequently they do not have to receipt a bill.

Mr. ROBB: It is not really a receipt?

Mr. ANDERSON: No, but by this method they are evading payment of the receipt tax.

Mr. ROBB: I quite believe my hon. friend's statement, and I know there are many ways of evading the tax.

Mr. LADNER: I do not know whether this matter comes really under this resolution but many of us have received insistent and persistent requests to press the minister to the point of retreat on the question of the lien against real property for income tax.

Mr. ROBB: That matter is not under the resolution but I am going to provide for it and will bring it up later.

The CHAIRMAN: This is in reference to the stamp tax.

Mr. CAMPBELL: I should like to make a reference or two to the remarks made by one of the members for Toronto. He said that the stenographer who wrote my letters paid more taxes than nine-tenths of my constituents. The statement is so far-fetched, so extreme and so devoid of all reason and

[Mr. Woodsworth.]

truth that I almost hesitate to dignify it by making any reference to it at all. But when my hon. friend states that Toronto pays about 23 per cent of the total taxes of the Dominion, I wish to point out to him that those taxes in the last analysis are passed over to the rest of us who really pay them. We buy tens of millions of dollars worth of goods manufactured in Toronto, rubber belts, boots and shoes, hardware, clothing, machinery of all kinds and so on. The hon. gentleman is a business man and I presume operates his business on a cost plus basis, and every dollar of his expenses is passed back to the people who buy the goods. Toronto does not pay the tax. The taxes the farmer pays are not always visible, because after he pays the price of these goods he has not enough left to pay income tax. But he is paying a tax on every single article he buys, and if you take the four classes of primary producers, the farmers, the miners, fishermen and the lumbermen, they pay all the taxes.

Mr. LADNER: Is not everybody else paying the taxes likewise, excepting a little more so?

Mr. CAMPBELL: The point I was trying to make is that if the average man in the city who is not a primary producer, raises his standard of living, that extra cost is automatically passed on to his business. If my hon. friend from Vancouver, who is a lawyer, finds he needs a two or three thousand dollar motor car that he had not used before, his standard of living is increased to that extent and he charges his clients a little more for his services on that account. The business men who use his services pay this extra amount. The men who buy the goods from these business men pay for that car, and in that way the price of the car is passed back to these people, the primary producers, who eventually pay. That is an economic law. One of the problems the primary producers have to face is that the people in the cities have raised their standard of living during late years beyond the standard of living of a few years ago, which means that the distribution of goods costs a great deal more than it did in the older days. If my hon. friend will just take the price of wheat at a given point in the prairie provinces, and take the direct freight to the city of Ottawa, and the fair cost of the milling, or the amount allowed the millers—

The CHAIRMAN: I think the hon. gentleman is getting away from the resolution which is the stamp tax on cheques.