

usually by the manufacturer or producer, sometimes by the wholesaler. Moreover a great many commodities - mostly food products, exported commodities and those entering into further manufacture are not taxed.

Probably the most important question to be considered is - will the proposed Turnover Tax be as productive as its advocates believe? If it should be, they have virtually won their case for it is additional revenue that is needed and that at almost any cost. Most of the attempts that have been made to estimate its yield seem to me to be based on very insufficient data. There is too much guess work involved. We do not know the volume of sales in Canada, we do not know how many times the raw material, the semi-finished commodity and the completed product change hands before reaching the consumer. We can only guess and the guesses that have been made have resulted in an estimate of the productivity of the Turnover Tax as low as \$40,000,000, as high as \$250,000,000.

It seems to me that something may be gained by a consideration of the experiences of other countries with a Turnover Tax. Nearly every country in Europe, with the exception of Great Britain, has one. Germany has had one since 1918 based on a stamp tax instituted in 1916 on the transfer of goods. The existing rate is 2%. France has one - *Taxe sur le chiffre d'affaires* - the rate being 1.4%. The German Tax produced about 1400 million marks (\$350,000,000) in 1924. The French Tax produced 3,015 million