

remain on the Bench even though paid no more than if they retired. But in such cases we should at least have the consolation that the country was saving money.

The honourable gentleman's second question is, Why should the Bill not be applicable only to judges who are appointed in the future? In Parliament, when we wish to defeat a measure, we have the practice of moving the six months' hoist, but if we adopted the suggestion of my honourable friend the practical result would be to give fifteen or twenty years' hoist to this Bill. I mean that it would be approximately fifteen to twenty years before the Bill could actually become effective, for I should say the average judge serves twenty years before reaching the age of seventy-five.

The motion for the second reading was negatived on the following division:

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SPECIAL WAR REVENUE BILL

SECOND READING

Right Hon. Mr. MEIGHEN moved the second reading of Bill 95, an Act to amend the Special War Revenue Act.

The motion was agreed to, and the Bill was read the second time.

Right Hon. Mr. MEIGHEN: It is a long Bill, with many important clauses. If the House desires to go into Committee, I am prepared to give the fullest information on each clause.

Hon. Mr. DANDURAND: If no honourable member has any criticism to offer to any part of the Bill, we on this side of the House will not insist upon going into Committee.

Right Hon. Mr. MEIGHEN: Then perhaps I should put on Hansard a general explanation of the measure, for the benefit of honourable senators.

Section 1 has regard only to the application of the tax on note issues, and exempts those of Canadian banks in circulation in other countries.

Section 3 repeals the present exemption from tax of cheques and money orders under \$5, with the exception of cheques issued to producers of milk and cream.

Right Hon. Mr. GRAHAM: That is the same as it was before?

Right Hon. Mr. MEIGHEN: Yes.

Section 6 covers the taxation of transfers, even though the interest transferred is a participating interest in the operations or profits of an association, company or corporation. As honourable members know, a company sometimes issues what are known as profit warrants. Such instruments when transferred are made taxable by the amendment contained in this section. "Share of stock" is more fully defined, also for the purpose of catching these transfer taxes.

The amendments on page 4 are consequential on the participating interest amendment.

Section 8 extends the excise tax to express money orders and travellers' cheques, even though issued for less than \$5.

Section 9 extends the tax to post office money orders under \$5.

By section 10 the tax on postal notes is raised from 1 to 3 cents.

By section 11 the tax on matches is made applicable to the very small package now issued so frequently—sometimes freely.

Section 12 places a tax on cigarette papers and paper tubes. This is important because it produces something like fairness as respects the cigarette manufacturer, and also because it will produce a very substantial revenue.

Section 14 remits the tax on sugar, syrup and substitutes therefor when imported by refiners for further manufacture. Syrup and syrup substitutes have to be taxed along with sugar, or they would be substituted for the sugar, to the injury of the refiners and also to the impairment of the revenue.

By section 16 "sale price" is defined. There is nothing much more difficult to define for the purposes of the sales tax.

Right Hon. Mr. GRAHAM: To define at what point it begins?

Right Hon. Mr. MEIGHEN: Yes, and in such a way as to prevent evasion. A company will form another company, and sell to this company in such a way that the price will be the "sale price," although it is away below the price at which the goods are sold to actual customers. Very heavy evasions have been effected by this method.