

amount of the tax. That is why the amendment appears in its present form, and although it apparently does not convince the hon. member for Shelburne-Yarmouth, the justice of it appealed to me and that is why I am submitting it to the committee.

Mr. RALSTON: I have never advocated a five cent charge. What I have been suggesting is that the ad valorem six per cent tax, if it is to be imposed, be applicable only to a message above a certain amount, and I have suggested twenty-five cents just as he has made the tax in public pay stations on twenty-five cent messages. I am not talking about a flat five cent charge and have never talked about it. My hon. friend made some remarks suggesting that I was unable to see any other views than my own.

Mr. RHODES: I did not say that.

Mr. RALSTON: I am endeavouring to combine my hon. friend's suggested tax of six per cent with a minimum charge just as there is in the case of stamps and cheques. If you make a six per cent charge, with a minimum, and put a rider on the resolution to the effect that no tax shall be charged on any message for which the toll is less than 25 cents, that would carry out my idea.

Mr. RHODES: My hon. friend, who is an old friend, I may say, is too shrewd not to realize that I never made the statement that he attributes to me. What I said was that my hon. friend must get the idea that there are other views than his own, even if they are wrong, which is something entirely different from what he says I said. I have got the point that my hon. friend makes as to the tax, but let me point out to him that he is pleading for a man who pays a tax of one cent. We will say that the tax should take hold at twenty cents. My hon. friend is pleading for the fifteen cent man, and he would pay a tax of less than one cent. Six fifteen-cent messages would amount to less than one dollar, so from that angle it is not worth while wasting very many words about it. I discussed the question of the cost of administration with the companies, and they told me that by simply taking the monthly accounts, without reference to amounts, other than to total them, and then charging the six per cent, it is simply a matter of bookkeeping and collection; but to go through every individual item of every account every day of the year and delete the fifteen cents on each message would involve clerical costs running into many thousands of dollars. That is why the companies made the suggestion in its present form.

Mr. YOUNG: There are a great many people in the country who use the long distance telephone very seldom, once or twice a month, perhaps less. Some have telephones and some not. Those with telephones would be able to get the call through for a cent and a fraction, but the neighbour without a telephone would have to go to the central operator and pay five cents. It is irritating for a man to pay five cents for what his neighbour gets for one cent and a fraction, and for all the difference it would make to the revenue the minister might as well drop it.

Mr. RHODES: I know there must be good neighbours out in the hospitable west, and I would suggest in such a case as my hon. friend mentions that the man without a telephone call at his neighbour's house with a telephone and have the call charged up to his neighbour, and then he will get the call at the same cost as his neighbour.

Mr. YOUNG: Will the minister allow a discount of so much per mile for the distance he has to travel to his neighbour's house?

Mr. RALSTON: All the telephone companies would need to have would be two columns in the account, one for messages under 25 cents and the other for messages above 25 cents. Then there would be no trouble at all and no question of spending thousands of dollars as the minister suggests.

Mr. RHODES: I am only giving the committee the information as it was given to me by those with experience in the telephone business.

Mr. RALSTON: I do not think my hon. friend would say it himself.

Mr. TAYLOR: There are four small telephone companies in the constituency I represent, and the maximum charge for calls between stations would be possibly fifteen cents. Am I to understand from the amendment that six per cent will be added to the monthly bill of tolls?

Mr. RHODES: If they are long distance telephone calls they would be subject to a tax of six per cent. If the account of an individual at the end of a month is \$2, for instance, he will pay a tax of 12 cents.

Mr. TAYLOR: Where a company is giving only a local service to the county, would that be called a long distance call? For instance, to get into the market town in this county costs fifteen cents, through two centrals. Would that be considered a long distance or a local call?