

country generally, and to advise the Minister of Finance and the Minister of Customs the best way of taxation and the best way of collection, so that the least inconvenience may be caused to the citizen and to business generally in Canada.

Mr. O. R. GOULD (Assiniboia): I suggest to the minister that the whole question of taxation has been decided by the people of Canada, and the question to-day is whether the principle of direct or of indirect taxation is the better. I think it would be wise for the government themselves to make a positive declaration that they believe in the principle of direct taxation. To my mind, there is no question whatever that it is much more expensive to collect indirect taxes. I do not believe in throwing my hat in the air for the abolition of the sales tax that its place may be taken by an indirect tax in the perpetuation of tariff duties. I am very strongly in favour of direct taxation, for I want to know the amount of taxes I am paying, and if the principle is wrong I think the people may be trusted to find it out and protest against it in good time. I do not wish to oppose the creation of an advisory board, but I should like to see it composed of men who are not biased to begin with. I think the government might consult with the various groups in this House as to the constitution of the board, not merely as to its number but as to its personnel. I have come to the conclusion that men who collect taxes in the form of customs duties have lived in an atmosphere of protection for such a long period that they are sometimes biased as to the form which taxation should take. From an advisory board such as is suggested I am sure these officers would receive proper instruction, provided the members of the board were of the right type, that is, men with an open mind with respect to the relative merits of direct and indirect taxation.

Mr. JOS. T. SHAW (West Calgary): Mr. Speaker, may I ask the minister if the proposed board will be empowered to investigate and study only existing systems of taxation, or all systems, with a view to the application of the best possible system to Canada?

Mr. SPEAKER: I do not wish to curtail the discussion, but in order to give the minister in charge of the bill an opportunity to speak more than once, it will be better if the motion be facilitated so that the resolution may be considered in committee of the Whole. Is it the pleasure of the House to adopt the motion?

[Mr. Bureau.]

Motion agreed to and the House went into committee, Mr. Marcell (Bonaventure) in the chair.

Mr. SHAW: May I now address my question to the minister?

Mr. BUREAU: My hon. friend wants to know if the proposed investigation will apply only to the existing system of taxation in Canada. No. The idea is that the board shall make a world-wide investigation in an effort to simplify and improve our system of taxation and our system of collection; that is, as to how taxation can be levied with the least inconvenience both to industry and to the citizen. If the purpose of the proposed board was only to investigate the existing system, I think we could handle the matter ourselves. But complaints come to us from various quarters, and these will be dealt with by the board, for our officials hardly have the necessary time to take such complaints into consideration and investigate them fully. And the board will have authority to investigate and study any system of taxation with a view to finding those that bear with the least hardship on the taxpayer.

Mr. GOOD: Mr. Chairman, I am very favourably and forcibly impressed by this resolution. Of course, I do not know just what the bill will contain, or what the personnel of the board will be, but it strikes me that in the two matters dealt with the proposal is a very excellent one indeed. I take it that the first proposal looks to the co-ordination, to a greater extent than has been attempted in the past, of the various revenue-collecting agencies. This is very desirable. I think hon. members will recall the series of articles that were published in MacLean's Magazine some time ago, written by one of the men in the press gallery, dealing with the waste in the Civil Service, and one of the suggestions he made was the consolidation of some of our departments or sub-departments. This is something in that direction, and it does seem to me logical and desirable that the various methods of collecting revenue should, so far as is practicable and feasible, be centralized and consolidated. I think that part of the resolution is entirely proper and wise.

The second part, which has to do with the appointment of an advisory board to study various modes of taxation, seems to me to be of far-reaching importance. As hon. members know, I have striven to bring before the House on several occasions the desirability of