

Supply—Marine—Radio

Mr. MALCOLM: But they have very large sets in those hotels.

Mr. DURANLEAU: There might be a different way of assessing the hotels, because they have large receiving sets but in the rooms they have only loud speakers.

Mr. HOWARD: I was not suggesting that everyone should go to the post office to get his licence. We have the mail carriers who go into every home and who know where every radio is located. If those carriers received a small commission you would get the finest collection system yet devised. I might go further and say to the minister that I do not believe the present system is good, speaking politically; I think it will cause more enemies than friends.

Mr. DURANLEAU: Our only aim has been to collect every licence fee, and I can tell my hon. friend that at the present time we are corresponding with the Post Office Department in order to see if collections cannot be made by carriers.

Mr. MALCOLM: Some years ago, before radio was invented, I was interested in the marketing of phonographs. When this device for reproducing music came into use I felt that the government was missing an opportunity to obtain revenue by placing a small and reasonable tax upon phonograph records. It was never necessary to have a licence to use a phonograph and, as the minister has pointed out, it would have been utterly impossible to follow all trades engaged in the production of musical instruments. I think the minister's explanation shows that he is running into the very same problem in connection with radio receiving sets. To-day the government needs money worse than it ever did, and this afternoon the Minister of Finance stated quite frankly that he would welcome suggestions for revenue. The government has gone to a great deal of expense and yet in my opinion \$125,000 is being thrown away in collecting a tax which could be collected without a cent of cost. I suggest to the Minister of Finance and the Minister of Marine that phonograph records could bear a fairly substantial tax. We pay 8 cents on a package of cigarettes; why should not phonograph records bear a fair tax? It would be a justifiable tax and would provide considerable revenue. A tax upon radio receiving sets is just as much a nuisance as a tax upon sewing machines would be; both are almost household necessities. The most equitable way of levying this tax would be to base the tax upon the use made of the machine. The man who buys an eight tube set in order to obtain

[Mr. Duranleau.]

better reception should pay more than the man who is satisfied with a four tube set. The man who uses his receiving set more than another should pay more in the way of taxation. A gasoline tax is based upon the amount of gasoline used, which represents the use made of our highways, and the same principle could be applied to this tax. By placing a 50 cent tax upon each radio tube, according to the figures for last year the government would receive a revenue of \$1,600,000. There would be a great saving in the cost of collection, the whole matter would be simplified, and I believe the radio receiving set owner would be more satisfied with the general conditions. Many men occupy summer homes in which they have radio sets which are operated for probably only two months in the year. Some people take their sets back to their winter home, while others, having duplicate sets, pay for two licences. The man who does this buys two licences but he is not living in two houses at the same time. If the tubes were taxed a man would be justified in moving the tubes, but when the tubes were worn out he would have to buy new ones upon which a tax would be imposed. This tax could be collected by the manufacturers without any cost to the government, in the same way that sales tax is collected. I submit to the minister that he should take up this matter with his colleagues, because I think it would prove to be in the interest of revenue, of convenience, and of economy in collection.

Mr. SPEAKMAN: What is the average life of a tube?

Mr. MALCOLM: A certain number of hours' use—I do not know just how many.

Mr. COOTE: I asked the minister if he could give us some idea of the service rendered to the people of Canada for the licences they bought. I suppose he will say that he has not had time to give us this information, but I think he should give it before the item carries.

Mr. DURANLEAU: The present organization comprises twenty-three permanent establishments and thirty-two part time establishments located in different towns and cities throughout the dominion, with a personnel of 148 full time employees and 41 part time employees. The permanent establishments are equipped with special radio interference detecting cars.

Mr. COOTE: What is the total expenditure for radio services?