

STE-ANGELIQUE, QUEBEC POST OFFICE

Mr. DESROCHERS:

For a copy of all letters, petitions, telegrams and other documents, respecting the removal of the post office and the changing of the postmaster at Ste-Angelique, parish of St-Basile, in the county of Portneuf, during the present year.

LOBSTER FISHING—GUYSBOROUGH COUNTY

Mr. POWER (for Mr. Duff):

For a copy of all letters, telegrams, petitions and other documents passing between the Acting Minister of Fisheries or any of his officials of the department at Ottawa, and any person or persons in the province of Nova Scotia or elsewhere, regarding the opening of the lobster season, in the district between Cole Harbour, in the county of Halifax, and Cape Argos, in the county of Guysborough, on April the first, 1933, instead of April the 20th.

CORRECTION—MR. ILSLEY

On the orders of the day:

Mr. J. L. ILSLEY (Hants-Kings): Mr. Speaker, I should like to make a correction in part of the speech I made last night on the budget. The hon. member for Digby-Annapolis (Mr. Short) interjected the remark, at page 3497 of Hansard:

They got four shillings sixpence per barrel more than the Americans did.

I understood him to say not that, but that they got four shillings and sixpence per barrel more than they otherwise would have, and I replied accordingly. My reply to the interjection would have been different but for that misunderstanding.

INCOME TAX

PROPOSED FIVE PER CENT TAX ON INTEREST AND DIVIDEND PAYMENTS TO NON-RESIDENTS

On the orders of the day:

Hon. E. N. RHODES (Minister of Finance): Mr. Speaker, with the introduction of any new tax there is bound at its inception to be some confusion, if only in getting the mechanics into proper and smooth operation. That difficulty is accentuated in the case of bearer bonds which are held in varying amounts by large numbers of people throughout the world. Having that in mind the commissioner of income tax on March 23 prepared a document entitled "A brief interim summary of the budget proposals with respect to ownership certificates and deduction of the five per cent tax at the source." Several

[Mr. Brassett.]

hundreds of these have been circulated to the Canadian banks and to certain financial and trust companies in Canada. They have also been forwarded in ample time to New York, and to-day they arrive in the city of London, England, with instructions that they be reprinted there in French for circulation in France. One paragraph only of this document I desire to read:

There is no deduction in respect of interest paid on bonds of Dominion of Canada issued free of income tax or upon interest on bonds paid by the Canadian National Railways wherein the Canadian National Railways or any of its subsidiaries undertakes to pay any tax imposed upon the holder thereof, these payments requiring no covering ownership certificates, either forms 600 or 601.

I desire in addition to make it very clear that it is not intended that the five per cent tax shall apply in the case of a foreign holder of a bond of the Dominion of Canada which in terms provides that the dominion shall pay an amount certain; also in the case of British or foreign non-resident holders of bearer coupons and share warrants, unless the holder requests an ownership certificate, such coupon and share warrants may be cashed without the necessity of ownership certificates being attached. It is understood, however, that the five per cent tax must be withheld by the paying agent.

Of necessity these documents had to be printed somewhat hurriedly, and as a sufficient number is not available at the moment for every hon. member of the house, I desire to lay on the table two copies in English, stating at the same time that as soon as possible a larger number will be available both in English and French. I desire also for the information of the house to lay on the table in English and French specimen copies of the ownership certificates which will be required to be attached to these documents.

BEAUHARNOIS POWER COMPANY

On the orders of the day:

Mr. E. J. GARLAND (Bow River): May I ask the Prime Minister if he or the government has been made aware of a proposed financial reorganization of Beauharnois, and if so has the government or the Prime Minister approved of the same?

Right Hon. R. B. BENNETT (Prime Minister): The \$30,000,000 bondholders of Beauharnois Power Corporation, after default in the payment of interest, met together and, as is usual in such cases, and in accordance