

remarks I read from the address by the Minister of Finance you will find some reference to external trade. The fact of the matter is that the government, which is always ready to take credit to itself because this country stands in a leading position in the field of external trade, in which we are the fourth nation in the world, tells us in effect now that we are simply marking time until others are prepared to take some action in the international field. If we have reached this enviable status, I suggest that is not a good enough answer from the government. We should know precisely what this government proposes. We should know something about the plans this government proposes to lay before any conference called for this purpose. We have not been given the slightest inkling; in this case we have not even been permitted a glimpse of any phantom plans on behalf of the government. May I remind you, Mr. Speaker, that this summer two important conferences are being held to which this government will soon be sending delegates. They are conferences being held in London by the Imperial Economic Committee and the Imperial Shipping Committee. The Imperial Economic Committee has been assembling data on trade within the empire, making reports and fulfilling a useful function in connection with the extension of trade within the units of the commonwealth and empire. That conference this summer is to decide, according to what we were told in the external relations committee on July 9, whether or not the Imperial Economic Committee shall continue hereafter. I suggest that is a serious matter. If our external trade is so important—and it is important; it may be the lifeblood of this nation before we are through—we should know from this government immediately what instructions they are giving their delegates with respect to the views to be presented to the Imperial Economic Committee. Before this budget debate ends, I trust we may have an authoritative pronouncement from the government on this score.

In the limited time remaining, I wish to say a word about a subject which has been neglected in the budget proposals and in the budget speech of the Minister of Finance. That matter is income tax reform. I do not know whether hon. gentlemen opposite have forgotten quite what reform means; perhaps I shall have to speak in relatively simple terms.

In the first place, there is one reform which is long overdue. I suggest that it is about time we eliminated one particular word, one conspicuous word, from the title of this measure. It is called the Income War Tax Act. Enacted during the last war, in 1917, it has become a permanent part of the taxation and

fiscal fabric of this country; so let us have some realism and get rid of the fiction of the word "war."

I turn now to the subject of the machinery of collection and assessment. Again I may have to refer to some remarks of the Minister of Finance on other and perhaps happier occasions. In his budget speech on June 27 of this year the minister had this to say on the subject of our personal income tax, at page 2914 of *Hansard*:

Our personal income tax is now unnecessarily cumbersome . . .

That is a masterpiece of understatement. He added:

Not only is the tax structure itself complex but as the house well knows its drafting leaves much to be desired.

Another masterpiece of understatement! I recall the remark of the right hon. gentleman in his budget speech last fall, at page 1006 of *Hansard* for 1945:

There are clear and obvious reasons for as early a reorganization and simplification of this tax as is practicable.

You know, Mr. Speaker, we all expected after that speech, which the minister made on October 12, 1945, that he would seriously take in hand this problem of revising the income tax, eliminating all the complications and absurdities in the procedure of assessment and collection; but they remain. The minister has apparently been too busy, and all the house has been given this year is another apology for delay. Everything remains for another year. The 1946 returns, to be made out in April, 1947, will still be the same old returns containing the things with which we have become so unhappily familiar: the normal tax, the graduated tax, the surtax, compulsory savings, and all the other headaches. That return will be made out next year, as it has been made out in recent years, not only by all those who made it out this year, but it will now have to be made out by all the farmers and fishermen who hope to qualify on the new basis of averaging their incomes over a three-year period. Yes, all the complications remain; the complicated procedure is still there.

But the minister trots out for our view something that apparently is intended to dazzle the house. He has two proposals, the first for an income tax appeal board and the second for an income tax advisory board. Let us look at these for just a moment, taking first the income tax appeal board. We are told it is to be set up for this purpose:

to hear appeals from assessments made by the Minister of National Revenue in respect of the year 1946 and subsequent taxation years.