

Mr. McRAE: I am rather astonished at the Minister of Finance mixing up his department with the Department of Railways. I think he might look after his own department and the Minister of Railways look after his.

Mr. BENNETT: The Minister of Finance to-night says that he is going to revise the tax upwards, and I suppose the people of Canada will have the pleasure of hearing him say next year: Yes, see how I have reduced the taxes! It is the old way. How long does he think the people will be fooled by that sort of guff?

Some hon. MEMBERS: Order.

Mr. BENNETT: That is the only word that describes it, and for the last five years that is what has been going on in Canada. The Minister of Finance introduces legislation year after year raising taxes and then reducing them, and he says to the people: Look how I have revised the taxes and lessened the burden of taxation! To-night he is going to revise this tax upwards. He says: Wait till next year. Next year he will say: Look what we did for the mining industry! We have reduced the tax 25 per cent. How long does he expect the people of Canada to be fooled by that sort of thing?

Mr. ROBB: Then my hon. friend will be able to say: I told you so.

Mr. BENNETT: We are taking proper steps this session to provide against a recurrence of such conditions. I suggest that the Minister of Finance explain to his colleague the Minister of Railways, who has been giving us all this talk about the self-supporting capacity of the railways, how they are going to take care of themselves, and how he has devised during long and tiresome nights a method of extending the railway system without loss of revenue; how he, the Minister of Finance, is helping to build railways with one-tenth of one per cent of a tax on mining stocks! That is the story my hon. friend is giving the country. The Dominion government got \$47,000 out of this tax the year before last and the Minister of Railways is going to build a railway to Chibougamau. He was not able to pronounce the name the other night. That is good for the Minister of Finance, but I think he should have a quiet little talk with the Minister of Railways, because I am satisfied he will have to impose a good many taxes of that kind before he will be able to build his terminals at Montreal or extend his Gaspé and Oriental to Turkestan, because that is where it is bound for on its oriental mission.

Mr. LANG: Just another word. A number of hon. gentlemen have spoken since I first rose to discuss this question. The Minister of Finance has read some statements by bankers in Toronto, and something he saw in *The Northern Miner*. Those, speaking generally, were articles about mining and stock conditions in the country at the time they were written. None of them had any reference whatever to the present proposed mining tax. They were written before the minister even thought about this tax, but even if they were written after the minister's proposal had been brought down, they had not in mind at all the mining tax that we have or any proposed tax; they had in mind only a condition that exists throughout Canada to-day.

The minister quoted some figures about the revenues of the provinces and of the Dominion under the present tax. I could not catch his figures, but I have some here that might interest the committee. Under the present tax which has been in effect since 1922, in 1927-28 the government collected on the transactions over the Toronto exchanges \$615,000; in 1928-29, for the first nine months, the government collected \$700,000, which amounts to approximately \$950,000 for the year. The present tax, collected in the manner in which it must be collected, relieves from taxation entirely every cent of value over the par value of a stock, and if you go down that list of shares printed in the article in the *Toronto Star*, showing the 117 issues that are mostly traded in at the present time, you will find that the great volume of business, so far as money value is concerned, is in stocks that are selling away above their par value. In other words, the government is getting only 3 cents on every \$100 of par value of the trading that goes on, when the great bulk of the trading, not in the number of shares, but in the dollar volume of business, is in shares that are selling from two to twenty times their par value. That means, so far as I have been able to judge in the short time I have been able to study this matter, at least two-fifths of the value of the business done over the Toronto exchanges is not taxed at all because it is made up of transactions in stocks selling over par. I have not a doubt in the world that half of the \$900,000 that the federal treasury will receive in 1928-29 from this tax applied to the transactions on the Toronto stock exchanges comes from the smaller valued stocks that are taxed, not 3 cents on \$100 of value, but sometimes 2 per cent of their value, so that it is a most unfair tax. Surely at this stage of the game, when with a stroke of the pen