

derstand what is required of them. The banks find themselves in a particularly difficult position, because as a matter of practice they have to make out various certificates. And sometimes they are not supplied with sufficient forms. One banker told me that he had received only a dozen, and that that number might be used up in one day if a few of his customers happened to be cashing coupons.

I have often wondered whether it was necessary to have so many forms and technicalities for the making of income tax returns. No doubt it is essential, in order that all kinds of persons may be reached, that the Income Tax Act should have many sections, but I have sometimes thought that it should be reduced to its essence for the benefit of the ordinary taxpayer. Think of the position in which a business man in Ontario finds himself. Even if his business is small, he has to make out federal income tax forms, with all their intricacies. I undertook the work in connection with my own little business and finally had to get a man to do it for me. Now the province has a business tax directed at accumulated profits, I think, and the business man finds it necessary to educate someone to understand that. Furthermore, the municipalities impose a tax. In other words, we have to pay three taxes on the one income. That is bad enough, but my criticism is not altogether against the amount of the taxation. The feature I am criticizing is the multiplicity of details and procedure with which we have to become acquainted in order to arrive at the proper amount of these taxes.

It has been suggested in the press that an arrangement might be made by the federal, provincial and municipal authorities for the collection of income taxes by one set of machinery and on the basis of one set of facts. That would be a godsend to taxpayers if it could be done, because the present method is very annoying. Even the smallest concern finds it is necessary nowadays to detail one person to keep track of the different items of taxation. I have only a few employees, and I must depute perhaps the best man in my office, an accountant, to spend weeks in discovering what taxes are payable. Such a system is an imposition on taxpayers, and I think it could be done away with if the different authorities made up their minds to have a combined collection of taxes.

Hon. Mr. BALLANTYNE: A short time ago I went into one of the leading banks in Montreal and inquired, merely for the information, what I should have to do if I deposited a cheque received from New York for interest payable there on a Canadian bond.

The banker said, "You would have to sign this yellow form certifying that you are the owner of the bond." That was perfectly clear and in keeping with our Income Tax Act. Then I asked what the procedure would be if I brought in a cheque from an American firm for a dividend, and the reply was, "You would have to sign this pink slip." I asked if the five per cent was collectible on a dividend from the States, and was told that it was not. I said, "I am sorry to differ with you, for I am quite sure that it is." But as the banker held a very strong view to the contrary, I left him with it. It is my opinion that the banks have not a clear conception of the Act at all.

Right Hon. Mr. MEIGHEN: There is a conference going on now, I believe, between officials of certain provincial governments and this Government with a view to trying to make some arrangement about the division of taxation. I will not express an opinion as to whether it is likely to succeed or not.

Hon. Mr. McRAE: For the purpose of having a clear and concise statement on the record, may I ask the right honourable gentleman to state the position with regard to taxation of a non-resident holder of Canadian bonds that are payable either in New York or London?

Right Hon. Mr. MEIGHEN: He is not liable to a tax unless his interest is payable in Canadian currency.

The motion was agreed to, and the Bill was read the second time.

Right Hon. Mr. GRAHAM: I think that after our conversational discussion the House would be perfectly warranted in not asking that this Bill be considered in Committee of the Whole, but I suggest that my right honourable friend defer the third reading until to-morrow.

Right Hon. Mr. MEIGHEN: Very good.

POST OFFICE BILL

SECOND READING

Right Hon. Mr. MEIGHEN moved the second reading of Bill 98, an Act to amend the Post Office Act.

Right Hon. Mr. GRAHAM: On behalf of friends from Cape Breton I should like to ask my right honourable friend the reason for putting this extra tax on newspapers when the Government is getting so much revenue from radio licences.

Right Hon. Mr. MEIGHEN: If the right honourable senator were not himself a news-