

*Customs and Excise Act*

of taxation in the recess between the provinces, the Dominion and municipalities so that the various phases or systems of taxation now in vogue throughout the country would be taken up, considered and co-ordinated with a view to seeing what could be continued and what should be eliminated. I do not see of what value such a proposed conference will be if the government now appoint an advisory board. I have this to say about the present Minister of Customs and Excise. The business men of Toronto tell me that he is a most zealous and faithful administrator and has always given satisfaction when complaints were made by the board of trade or other interests. I give the minister credit for that; I believe that when he has received complaints he has looked into them very carefully and the same remarks equally apply to the acting finance minister. But it is time that we made a change so far as our methods of taxation are concerned. We ought to try and copy the example of the people in England, France and the United States—who are paying a far greater amount of war taxation than we are—in reducing expenditure and eliminating unnecessary methods of war taxation. The board proposed to be appointed here are to investigate and study taxation matters with a view to simplifying and improving the existing systems. I have my own idea of what will result from this. I venture to say that when the report of that board comes before us next session it will be found to have evolved new means and new ways of imposing additional taxes upon the people of this country who are overburdened as it is. Something should be done to free the working classes of the burdens they now labour under; something should be done, as between the Dominion and the various legislatures, to co-ordinate systems of taxation and abolish certain burdensome and vexatious forms of taxation. Why do we not follow the example of the United States Congress and cut down the taxation? Under the Mellon plan there has been a great reduction in income and other forms of taxation, in fact a reduction of taxation all along the line on the city and town man who pays most of the taxes in this country. We should be acting very wisely if we followed the example of the United States.

Mr. WOODS: The hon. member for North Toronto (Mr. Church) has told us there is a great demand for the abolition of the income tax, the business profits tax, and other taxes of the kind. That remark may be true as regards the large moneyed interests in the

[Mr. Church.]

great cities; it cannot be said of the constituents of hon. gentlemen who sit in this quarter of the House. So far as I am aware no farmers are demanding the abolition of the income tax, the business profits tax or the amusement tax. This is attributable to three good and sufficient reasons. The first is that farmers do not earn sufficient income to be taxed, speaking as a general rule. In the second place their operations are not sufficiently extensive to bring them under the operations of the business profits tax. As regards amusement quite frequently we derive our amusement from forking hay, gripping the plough handles, and engaging in manual labour of various descriptions. I have heard no demand from the farmers whatever for the abolition of these taxes.

Mr. FORKE: With the right hon. leader of the opposition I view with some suspicion the multiplication of boards of inquiry into various matters. However there may possibly be room for some inquiry in the direction contemplated. It seems to me, though, that if we knew the personnel of this board, what its true position would be, and the period over which its operations were to extend we could come to a better conclusion as to the propriety of its creation. I feel that the resolution should be allowed to pass, but that when the bill which is to be based on it comes down we ought to carefully scrutinize its provisions. The hon. member for North Toronto (Mr. Church) almost made an argument in favour of appointing a board of this kind because he spoke of the many methods of taxation and the many changes that are being made. That would seem to indicate the necessity for an inquiry. In Manitoba a few years ago—perhaps six or seven years ago—a board of this kind was created to inquire into provincial methods of taxation. I happened to be a member of that board, and its personnel was not highly paid, but it functioned intermittently for about two years. I think that any one who examines that report carefully will admit that the board did good work in connection with assessments and taxation in the province of Manitoba. I think there is a field of inquiry for this board if the investigation were properly undertaken. Of course, there is a possibility of abuses happening in connection with such a board. On the other hand, so many difficulties arise in connection with taxation matters—for example the hon. member for North Toronto referred to the overlapping which occurs in connection with Dominion, provincial and municipal taxation—that there