

*Supply—National Revenue*

\$1,800 against the Royal Bank of Canada, and at the same time signing over to the receiver general of Canada all the security he had in the bank upon which the validity of the cheque depended, thereby rendering the \$1,800 cheque an n.s.f. cheque? How does that sound to your sense of justice?

Next, Mr. Chairman, did the manager, in order to protect his bank, have to go to Mr. Weston the next day and ask Mr. Weston to raise money with which to cover the cheque? The answer is yes. Did Mr. Weston, in order to protect his banker, find himself obliged to sell for \$2,000 a building worth \$3,000, thereby sustaining a loss of \$1,000? The answer is yes.

Was Mr. Weston right when he declared that the \$4,000 worth of bonds in his bank constituted the basis of his credit, and that without them he would have to go out of business? The answer would be yes.

In a letter to me under date of April 2, 1953, Mr. Weston uses the following words:

I have already discovered from experience that it takes four to five years to get back refunds of overpaid taxes resulting from poor assessments made by the Calgary income tax office.

I am going to ask the minister to make an investigation to find out if he can adduce adequate evidence to show that those of Mr. Weston's words are not firmly founded upon fact. The minister cannot do it.

Mr. Weston, in his letter to me of April 2, 1953 says:

A copy of the errors I have already located is attached hereto for your information.

I am putting this on the record so the people across Canada can see and know actually what was done. Mr. Weston says:

From a cursory examination in the time which has elapsed since the taxpayer received the net worth statement prepared by the assessor who called at his office in October the following errors have been observed:

1. In the comparative balance sheet, the item \$766.16 listed as an asset at 31 December 1951 under heading of western savings and loan contract was not in existence at that date.

2. In appendix A statement, account receivable listed as \$642.11 at 31 December 1951 re concrete products was in fact the account receivable as at September 1952, at which date it was presented to Concrete Products Limited and promptly paid by them.

3. In appendix A statement, account receivable listed as \$1,995 at 31 December, 1951 re F. Eagle Child, was in fact the total account of this job, which was only started in December, 1951 and not completed until end of March, 1952.

4. In appendix A statement, account receivable item listed as Gulf Oil \$45 at 31 December, 1951 was a disputed item and written off by the taxpayer in 1951.

5. In appendix A statement, account receivable item listed as S. Hesketh \$883.35 at 31 December, 1951, was in fact only \$583.35.

[Mr. Blackmore.]

6. In appendix A statement, account receivable item listed as Indian Grandstand and Toilets \$439, 31 December, 1951; was in fact a courtesy piece of work done by taxpayer to enable the Indians to receive a farewell visit from the retiring Governor General of Canada. The Indian department at Ottawa refused the account and it was written off by the taxpayer in 1951.

One would imagine that the stones would scream at such things!

7. In appendix A statement, account receivable item listed Indian school (Fr. LaFrance) \$4,000.00 was in fact only \$2,000.00 and considered a bad debt by the taxpayer.

8. In appendix A statement, account receivable item listed as Jake's Service Station \$970.15 at 31 Dec. 1951, was in fact only \$747.44 and has been paid as such.

9. In appendix A statement, account receivable item listed as Rufus Pilling \$131.00 (Shingling) 31 Dec. 1951. This was not billed by taxpayer; the work was done for a blind old age pensioner and his old age pensioner wife.

10. In appendix A statement, account receivable item listed as St. Mary's river school \$35.00, 31 Dec. 1951, was a disputed item and written off by the taxpayer when the St. Mary's river school division settled their 1951 bill that year.

11. In appendix A statement, account receivable item listed as Fred Stabdown, \$4,500.00 was in fact \$2,000.00.

12. In appendix A statement, account receivable item listed as Allen Shade, \$2,578.15, 31 Dec. 1949, was in fact \$1,978.15 and a bad debt as this Indian has left the reservation since some time in 1949 and his whereabouts are unknown. It is not permissible to file a mechanics lien on work and material supplied to Indians.

13. In appendix A statement, account receivable items listed Three Persons, Mrs. Tommy, \$4,986.57 and \$835.05 was in fact only a total of \$4,767.52 and was a 1950 account. Mr. Three Persons is dead and the account is unsecured for same reason as in case of Allen Shade item.

14. In appendix A statement, accounts receivable item listed as E. J. Wood, \$266, 31 Dec. 1951, is in fact only \$166.

15. In appendix A statement, accounts receivable item listed as Mrs. Workman \$21.25, 31 Dec. 1951, was a disputed account from the Reed-Workman job and treated as such by the taxpayer.

16. In appendix A statement, uncompleted contract 31 Dec. 1951, \$4,500. This amount is wrong; the job was only just started when weather forced the crew to lay off until following spring.

17. In appendix C statement, accounts payable, \$2,873.66. This represents only some of the outstanding cheques at 31 December, 1951. In fact there was a total of \$3,055.99 O.S.C. plus additional accounts of \$2,093.26, a total of \$5,149.25 accounts, payable if the outstanding cheques are included.

These 17 items total \$14,505.07 plus the correction to be made in the item of uncompleted contract 31 Dec. 1951, and when the checking of the statement compiled by the assessor is completed the taxpayer is sure other mistakes will also be located.

On the basis of those figures—which, beyond any shadow of doubt, are correct, Mr. Chairman, because they are prepared right from Mr. Weston's books by a bookkeeper whom I know in Cardston as a man of skill—the most the income tax authorities could possibly have levied against Mr. Weston was \$14,000, which would have cut their