

Mr. LOGGIE: I presume the minister does not here mean money borrowed from a bank on a note discounted. That is an indirect liability and should not be counted unless you count customers' notes in the assets. Money borrowed on a customer's note would not be regarded as a debt, because it is only an indirect liability.

Sir THOMAS WHITE: The customer's note would be part of the assets of the business, and if the proprietor of the business borrowed from the bank by way of discounting the note, that would be a liability to the bank.

Mr. LOGGIE: That has the same effect.

Mr. NESBITT: Will the minister tell me of anybody who ever borrowed debts? The clause says: "Any borrowed money or debts borrowed or incurred." I never heard of anybody borrowing debts. I can get mine easily enough without borrowing them.

Sir THOMAS WHITE: I beg to move:

That sub-clause 4 of clause 10 be amended by striking out the words "borrowed or" in the first line thereof.

Amendment agreed to, and paragraph 10 as amended agreed to.

On paragraph 11:

11. That provision be made requiring persons liable or believed to be liable to make such returns as may be necessary to assess the tax; and that provision also be made for the assessment of the several persons liable to taxation; for the appointment of a Board of Referees to determine assessment appeals; for a further appeal to the Exchequer Court of Canada; and for the collection of taxes, interests and costs in the Exchequer Court of Canada and of the courts of competent jurisdiction.

Mr. GRAHAM: I suppose that when the Bill comes down it will have all these provisions in detail?

Sir THOMAS WHITE: Yes.

Mr. GRAHAM: The majority of these companies are provincial incorporations. It will not be very difficult in each of the provinces to get a complete list of the incorporated companies having provincial incorporation, with all the details connected with them.

Sir THOMAS WHITE: We have that in mind.

Mr. ROBB: The minister tell us that he proposes to collect these taxes through a special staff, which will be organized in his department. I suppose he wish to economise as much as possible, and, if so, has it occurred to him that this work might

[Sir Thomas White.]

be done more economically by using the chartered banks of Canada? They have branches in pretty nearly every place where business is conducted, and of course the minister could collect the taxes and get reliable information very much more cheaply than by a special staff engaged for the purpose and which it would be pretty hard to get rid of at the end of the three-year period.

Sir THOMAS WHITE: I think we must have our own officials. I do not believe it would be advisable to delegate to the officers of a bank the assessment of the different businesses. Judgment must be exercised, and we must have the principle of responsibility as between the official and the minister, as between the minister and the Government, and as between the Government and Parliament. It is not like an automatic process of merely receiving money; it is a matter of making assessments, exercising judgment and discharging responsible duties. I do not believe we could devolve it upon any institution even as capable as the chartered banks.

Mr. A. K. MACLEAN: Will these officials be appointed temporarily? Will that be understood?

Sir THOMAS WHITE: They would be appointed for the purpose of administering this Act. They would be appointed temporarily—yes.

Mr. A. K. MACLEAN: That will be understood?

Sir THOMAS WHITE: Giving the word "temporary" as wide a definition as would cover the operation of this Act.

Mr. CARVELL: Does it occur to the minister that, while he may feel like retaining the spirit of responsibility, and properly so, in making this assessment, he could get much valuable information by applying to the chartered banks. You could go into any city in Canada, and, by stepping into one or two of the chartered banks, you could practically get all the information you wanted, and you might very well ask the banks to receive the taxes also. Following up the suggestion made by my hon. friend (Mr. Robb), I think that might be a very proper method to pursue. I know that the banks know all about those of us down in the Maritime Provinces, and we cannot get away from it.

Sir THOMAS WHITE: I shall be very glad to take that suggestion into consideration, but I think the banks might raise the