

many disputes that arise where receipts are not given on cash payments. I think in the interest of people doing business in a small way the minimum should be increased from \$5 to \$10 unless the minister can show the House that the loss in consequence would be very substantial.

Mr. ROBB: I regret I have not the exact figures before me, but it is estimated in the department that the change would involve a very considerable loss of revenue. I agree with my hon. friends opposite that these stamp taxes are a nuisance, and it would be much better if we could meet the views of hon gentlemen and raise the limit to \$10. But I would suggest that we try this minimum of \$5, and if next year we find we can increase it to \$10, \$15 or \$25, we will be glad to consider it.

Mr. BOYS: Is any effort made to ascertain the amount paid, for instance, on cheques of \$5 and under, on cheques from \$5 to \$10, and on cheques from \$10 to \$15, or is it merely the total which is derived from the tax?

Mr. ROBB: It is the total. I did ask some of the banks to try and get me an estimate along that line, but the time was too short for them to give me any.

Mr. MEIGHEN: What is the total income from the tax stamps on cheques and receipts?

Mr. ROBB: About ten million dollars from all stamps.

Mr. MEIGHEN: Ten million dollars on all stamps! Does that include cheques, receipts, overdrafts, bills of exchange, notes, and all those things?

Mr. ROBB: Yes, about ten million dollars.

Mr. MEIGHEN: I am astonished if it is that much.

Mr. ROBB: I am speaking in round figures. I will try to get the exact figures.

Mr. MEIGHEN: I take it that all of them are objectionable, as every tax is.

Mr. ROBB: I agree.

Mr. MEIGHEN: Cheque and receipt stamps are by no means as objectionable as the overdraft and note taxes. Those are taxes that affect me most.

Mr. ROBB: And me too.

Mr. MEIGHEN: And I feel most keenly about them. I have never under any government been able to understand why a man ought to pay a tax because he owes a debt—the more he owes and the harder up he is,

the more he is taxed. That is the actual law. I am not objecting to the cheque tax and the receipt tax, these are in 9 p.m. a different category, but the overdraft tax and the tax on a note that a man cannot pay really strike me as the most inequitable, unjust and iniquitous. Of all taxes in the world I think those are the hardest to defend. Surely there can be something devised a little more sensible than those. It is really an attempt to tax poverty.

Mr. ROBB: I agree with very much that my right hon. friend has said, but I would remind him that this tax was introduced originally in 1915.

Mr. MEIGHEN: I know that.

Mr. ROBB: By a former colleague of my right hon. friend. It is based on the English act. Under that act I am told that the tax on an overdraft in the United Kingdom is slightly higher than it is in Canada.

Mr. MEIGHEN: This government increased it.

Mr. ROBB: Yes, we did. The British act has been in force since 1845. In 1894 it was contended that coupons should also be taxed, and the British government amended their act to make it clear it was not intended to tax coupons, and coupons are not taxable in Canada. Now why is that? Coupon bonds are not issued by a business concern. No business concern can tell what they are going to be able to pay in five, ten, fifteen or twenty years; they do not finance that way. Coupon bonds are generally issued by governments, dominion, provincial and municipal.

Mr. MEIGHEN: The minister is wrong.

Mr. ROBB: Not to any great extent. Now if we imposed a tax on coupon bonds, and a tax had to be put on every coupon, that tax would have to be put on at the time the document was issued. It might be payable fifty years from now; it might be a fifty-year bond, and before the fifty years had expired the country might have repealed that act. That is one reason. The other is that it would be an additional cost on the municipality or corporation issuing the bond. They would have to put the tax on at once, and therefore, very wisely I think, coupons have been exempt from taxation.

Mr. MEIGHEN: It may be wise to exempt coupons, but I do not think the minister's reasons are conclusive. In the first place, although it does not seem to be relevant, coupon bonds are issued by corporations in many cases.