plained the bill. He stated that the new board, when appointed, will not be able to function with respect to any appeals under the present Act. That presents the most peculiar situation in the world, because under the present Act a man has the right of appeal to the Board. I have not been able to find any provision in the bill dealing with that. Then a man is left in this situation: as respects an assessment under the present Act he has the right of appeal to a board, but this board is constituted under the new Act and has not got authority to hear the appeal. If the fact is as my honourable friend represented it, we shall have to deal with it in committee.

There are many other provisions, particularly some that are labelled as new, which will require our careful consideration. Let me mention just one by way of example. A certain section of the bill provides that once a taxpayer elects to use a certain method for the calculation of his tax, he will not thereafter be allowed to change that method without the concurrence of the minister. It is a well known principle of taxing law that so long as a man keeps himself within the scope of the law he has a perfect right so to order his business affairs as to be liable for the least possible amount of tax. I suggest that this new provision, which would make it impossible for a man when calculating his tax to adopt—except with ministerial approval—a method that he considered to be more to his interest than the method he had formerly used, is one to which we should give thoughtful consideration.

There are other things that I should have liked to say at this time. I do not think any useful purpose would be served by saying them, though, because in the main the bill is good. There is no doubt that, in the first place, it clarifies our tax situation. Secondly, it re-enacts possibly 75 per cent of the provisions in our present law. In some cases the re-enactment is word for word, but in others the phraseology is changed. There is of course a special difficulty when you codify a law which, like our income tax law, has accumulated over a long period of time. In the course of the years the courts have interpreted various sections of the Act, and their interpretations have become the law relating to the matters dealt with in the respective sections. The difficulty is to know whether in a new statute those sections which apparently incorporate the substance of earlier ones do in fact mean the same thing as the courts have declared those earlier sections to mean. However, that difficulty is, as it were, an inevitable penalty that must be paid when a new statute is drafted to replace an old one. You can never be sure just what interpretation will be placed upon amended sections until the courts have handed down decisions.

Any further comments that I might make would relate to particular sections and could be more appropriately expressed in committee.

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

REFERRED TO COMMITTEE

Hon. Mr. ROBERTSON moved that the bill be referred to the Standing Committee on Banking and Commerce.

The motion was agreed to.

The Senate adjourned until tomorrow at 3 p.m.