

Mr. FIELDING: The hon. gentleman has referred to the exemption from taxation of judges. From what classes of taxation are judges exempt? At all events, I suppose that the laws respecting the judges are not like the laws of the Medes and Persians. The judges, above all other things, are just men and I am sure they will not desire to be exempt from any tax, especially in these times, which their poorer neighbours are obliged to pay.

Mr. H. A. MACKIE: They do not get salary enough to be taxed.

Mr. FIELDING: Lots of us do not get enough salary, but we have to pay the tax. I am curious to know from what classes of taxation the judges are exempt.

Mr. A. K. MACLEAN: All salaries or annuities paid by the Government of Canada to any of the judges are exempt from any tax imposed by the Parliament of Canada. This is only to carry out that provision. Of course, it does not prevent judges from paying the tax if they so desire. Whether the judges should be exempt or not is a matter of policy. I am not suggesting any change.

Mr. FIELDING: How can there be a provision in the law to exempt judges from income tax when we did not have any income tax before last year? Are the judges exempt from customs and excise taxation? We have here a new system of taxation. We are creating an exemption which the judges apparently do not now enjoy. I think the point is worth looking into. The judges are most estimable men, but above everything else they are just, and I am sure they would not desire to be exempted from taxation which their less favoured brethren have to pay. I simply want to protect the judges.

Mr. COCKSHUTT: The last clause says:

Corporations and joint stock companies, no matter how created or organized, shall pay six per centum upon income exceeding three thousand dollars but shall not be liable to pay the supertax.

Under the Act of last year the income paid by incorporated companies was carried forward to the credit of the shareholders, who received it later in the form of dividends. Is it the intention to continue that provision? I am not able to ascertain from the wording of the clause whether the income which has been taxed six per cent is to be re-taxed, as though it had paid no tax, after it has been distributed to the shareholders.

[Mr. A. K. Maclean.]

Mr. A. K. MACLEAN: The Act as amended will only give credit for the normal tax of four per cent. There will be no change.

Mr. COCKSHUTT: It says six per cent here.

Mr. A. K. MACLEAN: That is the tax on any income in excess of three thousand dollars. Only the four per cent normal tax paid by corporations will be credited.

Mr. COCKSHUTT: Although the corporations pay six?

Mr. A. K. MACLEAN: Yes.

Mr. LEMIEUX: Last year the Minister of Finance stated that the sessional indemnity was assessable. I have no objection to that, but the very word "indemnity" suggests, not a salary, but compensation for service which one is called upon to perform for the Crown. Some gentlemen have suggested that in the return to be made the indemnity should be reduced by the amount that has been expended by the member. A member who comes from afar spends a part of his indemnity in Ottawa and he should not be accountable for that in the return.

Mr. FIELDING: I do not desire to detain the House by asking for the information now, but if my hon. friend will make a note of it and bring it forward at another stage of the discussion I shall be quite content. I cannot see any reason why judges should be exempt. An hon. gentleman says that the judges salaries are not big enough. That is true of a great many people. It is a fact that the civil servants all over Canada are very poorly paid. If I may be allowed to say so, having regard to their duties and responsibilities, the most poorly paid officials in the Dominion of Canada are the Ministers of the Crown. They are the only people who have not received an increase in their salaries for the last thirty years. But still they have to pay income tax. I think they escape in the city of Ottawa—

Sir ROBERT BORDEN: No.

Mr. FIELDING: At all events it is quite understood that Ministers of the Crown have to pay this income tax like any other people. If they are to be taxed I cannot see why the judges should be exempt.

Mr. A. K. MACLEAN: I do not wish to be understood as opposing the suggestion of the hon. member for Shelburne and Queens, but, as he suggests, the point may be raised later on when the Bill is before the committee.