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CANADIAN TAX FOUNDATION

L'ASSOCIATION CANADIENNE
D'ÉTUDES FISCALES

Twenty-First Annual Report

FOR THE YEAR ENDING

DECEMBER 31st, 1966

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Twenty-First Annual Report

FOR THE YEAR ENDING
DECEMBER 31st, 1966

CANADIAN TAX FOUNDATION
L'ASSOCIATION CANADIENNE D'ÉTUDES FISCALES

BOARD OF GOVERNORS

Elected April 25th, 1967

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William M. Anderson, C.A.	Vancouver
*C. Roger Archibald, Q.C.	Toronto
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*William M. Brace, F.C.A.	Toronto
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*H. Marcel Caron, C.A.	Montreal
*John H. C. Clarry, Q.C.	Toronto
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*John M. Godfrey, Q.C.	Toronto
Godfrey Gourdeau, C.A.	Québec
James J. Greene, Q.C.	St. John's
Edwin C. Harris	Halifax
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Wallace D. Macaulay	Saint John
*Robert W. Meanwell, F.C.A.	Windsor
F. J. Newson, Q.C.	Edmonton
Alastair M. Nicol, Q.C.	Regina
*Edward Saunders	Toronto
A. D. Peter Stanley, F.C.A.	Vancouver
*Philip F. Vineberg, Q.C.	Montreal
G. Norman Wildgoose, C.A.	Edmonton
F. D. R. Woolgar, C.A.	St. John's

*Executive Committee of the Board of Governors

OFFICERS

H. Marcel Caron, C.A., *Chairman*

John M. Godfrey, Q.C.

*Vice-Chairman and Chairman of the
Executive Committee*

Robert B. Dale-Harris, F.C.A., *Vice-Chairman*

Philip F. Vineberg, Q.C., *Past Chairman*

Ronald Robertson, *Director*

James A. Reid, *Secretary and Treasurer*

PAST CHAIRMEN

Molyneux L. Gordon, K.C. (*deceased*)

Gordon K. Munnoch, K.C. (*deceased*)

*J. Grant Glassco, F.C.A., Toronto

W. G. H. Jephcott, F.C.A. (*deceased*)

*Claude S. Richardson, Q.C., Montreal

*Kenneth LeM. Carter, F.C.A., Toronto

*Lazarus Phillips, Q.C., Montreal

*Thomas A. M. Hutchison, F.C.A., Toronto

*R. deWolfe MacKay, Q.C., Montreal

*John A. Wilson, F.C.A., Toronto

M. Gerald Teed, Q.C. (*deceased*)

*A. Willard Hamilton, C.A., Montreal

Henry F. White, Q.C. (*deceased*)

*Campbell W. Leach, C.A., Montreal

*Stuart D. Thom, Q.C., Toronto

*A. J. Little, F.C.A., Toronto

*John de M. Marler, Q.C., Montreal

*Archibald D. Russell, C.A., Vancouver

*Arthur S. Pattillo, Q.C., Toronto

*Lancelot J. Smith, F.C.A., Toronto

*Philip F. Vineberg, Q.C., Montreal

**Advisory Committee of Past Chairmen*

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 1966
(With comparative figures for 1965)

	<u>1966</u>	<u>1965</u>
ASSETS		
CURRENT		
Cash (including \$27,056 in savings account)	\$ 33,705	\$ 36,251
Guaranteed investment receipts —		
due at varying dates — 1968 - 1971	100,000	100,000
Accounts receivable	410	270
Deposit with Air Canada	425	425
	<u>\$134,540</u>	<u>\$136,946</u>
FIXED		
Furniture and office equipment — at cost	\$ 17,448	\$ 17,237
Less: Accumulated depreciation	14,885	14,224
	<u>\$ 2,563</u>	<u>\$ 3,013</u>
TRUST FUND		
Taxation and economic growth study fund, cash	\$ 7,273	\$ 6,990
	<u>\$144,376</u>	<u>\$146,949</u>
LIABILITIES AND RESERVE		
CURRENT		
Accounts payable	<u>\$ 6,131</u>	<u>\$ 11,982</u>
RESERVE		
Retained for continuation of the		
Foundation's activities	<u>\$130,972</u>	<u>\$127,977</u>
TRUST FUND LIABILITY		
Taxation and economic growth study fund		
Subscriptions and interest received	\$48,273	
Less: Advances to Queen's University	41,000	7,273
	<u>\$144,376</u>	<u>6,990</u>
	<u><u>\$144,376</u></u>	<u><u>\$146,949</u></u>

APPROVED ON BEHALF OF THE BOARD OF GOVERNORS

Philip F. Vineberg
Chairman

H. Marcel Caron
Vice-Chairman

STATEMENT OF REVENUE AND EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 1966
(With comparative figures for 1965)

	<u>1966</u>	<u>1965</u>
REVENUE		
Subscriptions — Corporate	\$135,015	\$126,455
— Individual	<u>61,675</u>	<u>59,820</u>
	<u>\$196,690</u>	<u>\$186,275</u>
Interest	<u>6,534</u>	<u>5,375</u>
	<u><u>\$203,224</u></u>	<u><u>\$191,650</u></u>
EXPENSE		
Salaries	\$107,012	\$ 97,416
Publications (net)	43,202	40,412
Rent	13,688	11,090
Postage	7,196	6,860
Special studies	5,793	2,137
Office relocation costs	4,882	—
Pension and insurance plans (net)	4,387	8,119
Office printing, stationery and supplies	3,924	4,027
General office expense	3,254	2,864
Travelling	3,083	4,466
Books and periodicals — library	2,339	2,511
Telephone and telegraph	2,223	1,630
Conferences expense (net)	<u>(1,443)</u>	<u>3,278</u>
	<u><u>\$199,540</u></u>	<u><u>\$184,810</u></u>
Provision for depreciation of furniture and office equipment	<u>689</u>	<u>1,123</u>
	<u><u>\$200,229</u></u>	<u><u>\$185,933</u></u>
EXCESS OF REVENUE OVER EXPENSE FOR THE YEAR (Transferred to reserve)	<u>\$ 2,995</u>	<u>\$ 5,717</u>

AUDITORS' REPORT

The Board of Governors and the Members of
Canadian Tax Foundation,
L'Association Canadienne d'Études Fiscales,
100 University Avenue,
Toronto, Ontario

We have examined the statement of financial position of the Canadian Tax Foundation/L'Association Canadienne d'Études Fiscales as at December 31, 1966 and the related statement of revenue and expense for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying statement of financial position and statement of revenue and expense present fairly the financial position of the Canadian Tax Foundation/L'Association Canadienne d'Études Fiscales as at December 31, 1966, and the results of its operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Hendriksen Jarrett Gould Co.

CHARTERED ACCOUNTANTS
Auditors

Toronto, Canada,
January 18, 1967.

*Report of the Chairman
to the Twenty-First Annual Meeting of the
Canadian Tax Foundation
April 25th, 1967*

Years ago, Foundation members indicated a preference for holding the Annual Meeting of members at a time other than during the Annual Tax Conference. The reasons were to avoid curtailment of the time available for the discussion of pressing tax questions, and to permit in turn a careful appraisal each year of the Foundation's work.

The soundness of this approach is apparent today since the necessity of holding this Twenty-first Annual General Meeting during a conference requires those of you here to forego some discussion. Your attendance is, therefore, all the more appreciated.

This report is for the year ending December 31, 1966. However I shall in the course of it refer briefly to our progress since the first of this year.

We were disappointed in 1966, as we were in 1965, in not being able to hold a tax conference. The reason was explained to members in numerous announcements — all to the same effect — that the delay in receipt of the Report of the Royal Commission on Taxation necessitated a further postponement.

That problem is behind us now and it already seems like a small one compared with what may lie ahead now that we have the Report. There may even be some members who, in retrospect, would have preferred to continue receiving postponement notices.

Membership and Finance

Copies of the financial statements for 1966 are appended to the notice of this meeting. The statement of revenue and expense clearly reveals continuing and growing support for Foundation activities. Corporate subscriptions showed a net gain of \$13,455 to \$135,015. This gain resulted from the receipt of nine new corporate subscriptions; 147 increased contributions by continuing corporate subscribers; and two additional donations for 1966, in response — as were the increased contributions — to the Foundation's need for funds to enable it to move to improved quarters and to finance additional research and staff assistance.

The increases and additional donations are particularly gratifying, coming as they do from corporate subscribers who have been supporters of the Foundation for many years.

The figures for individual memberships are equally gratifying. During 1966, 410 new individual members were added to our rolls; 251 as regular members and 159 at the special rate of \$7.50 for full-time students and academics.

The Foundation was able to end the year with a slight surplus of \$2,995 (representing less than 1.5% of revenues), rather than the sizeable deficit forecast at the beginning of the year. This resulted from the combined effects of the revenue increases I have mentioned, the carry-over of two or three of our research publications and the carry-over into 1967 of Foundation reports in connection with the Report of the Royal Commission.

Increasing support and interest in the Foundation's work continues strongly this year as well. To date this year 12 new corporate subscribers have been added to our rolls. New individual memberships have been received at a faster rate since the beginning of this year than in any other equivalent period in the Foundation's history. To mid-April more than 500 new individual membership applications had been received. This upsurge reflects the interest in the Report of the Royal Commission on Taxation and the excellent co-operation we have received from the provincial Institutes of Chartered Accountants and teachers of taxation, economics and business in Canadian universities, who brought the Foundation's special membership provisions to their students' attention. We are most appreciative of this co-operation.

Of the total number of new individual memberships some 370 are in the special \$7.50 student category. As a result, many of these new memberships do not produce a measurable net improvement in the Foundation's financial position; but they do, in a very real way, represent an advance in the Foundation's objective of assisting in developing a high level of interest, knowledge and study of taxation in Canada.

In summary, it is clear that the Foundation's financial and membership positions are sound. It should, however, be made equally clear that the rapidly expanding demands on the Foundation for research in public finance and taxation will probably call for additional staff in the near future.

The calibre of staff required is such that we face stiff competition from business, private practice, governments and universities, and our levels of remuneration must therefore remain competitive. This means, of course, that support must continue to grow if the Foundation is to enhance its effectiveness.

New Quarters

It is now possible to contemplate the recruiting of additional staff. In November, 1966 the Foundation's offices were moved from 154 University Avenue, Toronto, where they had been for ten years, to 100 University Avenue. While the total square footage of the new premises exceeds by very little that previously leased, being in a more modern building the new premises are much more suitable, both for the staff and for our library facilities. The latter are now being used extensively by students and other members for study and research in taxation. The new premises provide several more individual offices than were previously available. Drapes and carpeting were left for the Foundation by the previous tenants, and our well depreciated furniture took on a new look in the new surroundings. Members are invited to view the results at their convenience. Those who do visit the Foundation's offices will, I believe, be as pleased as both the staff and the Board of Governors are with them.

Annual Conference

This year, 1967, will make up in part for the conference disappointments of 1965 and 1966. The current conference on the Royal Commission Report, while as broad in scope as the Report itself, will leave much to be said about the far-reaching proposals of the Commission in the months ahead.

We shall be back in step this year with our regular Annual Conference in the fall. It will be held at the Queen Elizabeth Hotel in Montreal on November 27, 28 and 29. By that time, I expect, a consensus on the Report, or parts of it, will have developed, and it will be possible to concentrate our discussions on the areas where concern continues to be greatest. In addition, by that time it will be most important to review the several developments in the field of provincial taxation — particularly succession duties. The Report of the Ontario Committee on Taxation, expected to be completed and available before summer, will provide a new focal point for such discussions.

Seminars

1966 was a disappointing year for our tax seminar program which, with the excellent co-operation of universities across Canada, has been one of the most useful and interesting phases of the Foundation's work. The reason again was, of course, the delay in the Royal Commission Report. The seminars at the Law School of the

University of British Columbia, the Banff School of Continuing Education, Queen's School of Business and at Dalhousie University could not be held. In Quebec, however, there was, thanks to the Bélanger Report, more than sufficient material to provide a most interesting and useful weekend seminar at the Journées d'Etudes Fiscales at the Université de Montréal.

This year we are all back in business again from coast to coast. The discussions at these meetings in May and June will add a great deal to the work of testing the validity and practicality of the recommendations in the Report of the Royal Commission on Taxation. The smaller size of these meetings permits much more participation in the discussions by all attending than is possible at a meeting the size of this one.

In going over the list of people attending this Conference I had a feeling of regret that it was not possible to ask many people to deliver a twenty minute opinion on all or some part of the Report. For those attending, as well as our speakers, constitute perhaps the greatest concentration of tax talent ever assembled. We hope many of those present at the Conference will find time to express their opinions about the Report in written form in the weeks ahead. As many as possible of such articles will be published in the *Canadian Tax Journal*, as will be the case with the papers made available in article form from the Seminars.

The dates of the Seminars are as follows:

St. Mary's University, Halifax, May 12;

Queen's University, Kingston, May 15 to 19;

Banff School of Continuing Education, May 22 to 26;

Journées d'Etudes Fiscales, Université de Montréal, May 25 and 26.

A date for a seminar at the Faculty of Law, University of British Columbia, will be announced later.

The corporate Management Tax Conference did go on as scheduled in 1966 and was attended by about twice as many members as had ever attended one before. These special meetings have been held annually since 1959 and are directed mainly to the discussion of tax problems encountered by our corporate subscribers. Like the reports of our annual tax conferences, the published reports of the papers presented at these meetings have developed into a unique and useful source of information on matters of corporate taxation in Canada.

In view of the university meetings and the timing of this Conference we feel it would be crowding the agenda too much to hold a separate Corporate Management Tax Conference this Spring. We expect to resume this series in 1968.

Review of Tax Changes

For the first time in many years I am unable to report a meeting of a Foundation-sponsored committee of lawyers and accountants with federal tax officials for a review of the technical aspects of annual tax changes.

This arises from the fact that the tax changes proposed in the 1966 spring Budget did not come before Parliament until very near the end of the year. And when they did, the Parliamentary timetable called for their almost immediate consideration after first reading. As events turned out, there was a delay between first and second readings, the interval when the meeting of the Foundation committee and government officials customarily takes place. However, from day to day Parliament's immediate consideration of the amending bill was expected, with the result that a meeting could not be arranged.

Our usual informal review is still considered useful and we shall therefore make a committee available this year following the introduction in Parliament of any tax legislation resulting from the 1967 Budget.

In 1966, for the second year, the Foundation asked for and received from a considerable number of members their comments and criticisms of the tax change proposals in the spring Budget. Members were asked to send their criticisms directly to the Minister of Finance and to provide the Foundation with a copy. A compilation of these was forwarded to the Minister of Finance for the assistance of his officials in drafting the legislation required to implement the Budget resolutions. A summary was published in the *Journal*. We have had several expressions of opinion that this procedure is useful both to the government and Foundation members, and we expect it will become more useful in the future if the pace of tax law change increases. You will have noted that the Report of the Royal Commission views with favour more involvement of taxpayers and their advisers in the improvement of our tax laws and regulations.

Board of Governors

A particularly pleasant part of the Chairman's duties at the Annual Meeting is the introduction of nominees to the Board of Governors.

The report of the Nominating Committee, comprising the presidents of the Canadian Bar Association, Perrault Casgrain,

Q.C. and the Institute of Chartered Accountants, J. R. M. Wilson, F.C.A., was mailed to members with the notice of this meeting. Each nominee has consented to serve if elected.

Of the thirty-two nominees, twelve are being nominated for the first time; one, G. Norman Wildgoose of Edmonton, returns for a second tour of duty, having previously served in 1956 and 1960 as a representative from Manitoba.

The new nominees will be known to you in most cases as long-time members of the Foundation and participants in Foundation activities and as leading members of their professions in their respective communities across Canada.

They are

Messrs. Douglas A. Ampleford, F.C.A.	— Toronto
William M. Brace, F.C.A.	— Toronto
Kenneth H. Brown, Q.C.	— Montreal
A. T. R. Campbell, Q.C.	— Vancouver
Donald J. Campbell, F.C.A.	— Winnipeg
John H. C. Clarry, Q.C.	— Toronto
Frank T. Denis, C.A.	— Montreal
Irwin Dorfman, Q.C.	— Winnipeg
James J. Greene, Q.C.	— St. John's
Edwin C. Harris	— Halifax
Stewart W. Hudson, C.A.	— Moncton
F. J. Newson, Q.C.	— Edmonton
G. Norman Wildgoose, C.A.	— Edmonton

It is also my pleasure to extend the thanks of all Foundation members to those who are retiring from the Board. Each has contributed a great deal to various Foundation activities over the past three years or more — to our seminars as organizers, as chairmen and as speakers, and as representatives of the Foundation in their home areas in the continuing work of ensuring that contributions are sufficient to finance the Foundation's work — all in addition to providing personal counsel and advice in the deliberations of the Board and its Committees.

Messrs. Ross P. Alger, F.C.A.	— Calgary
Edward H. Ambrose, F.C.A.	— Hamilton
John W. Beech, F.C.A.	— Winnipeg
Pearley R. Brissenden, Q.C.	— Vancouver
J. Nevin Burnham, C.A.	— Saint John
Richard J. Burns, Q.C.	— Calgary
Reginald J. P. Dawson, C.A.	— Montreal
Charles Gavvie, Q.C.	— Montreal
Henry B. Rhude	— Halifax

Francis J. Ryan, Q.C.	— St. John's
Lancelot J. Smith, F.C.A.	— Toronto
John L. Stewart, Q.C.	— Toronto
Alan Sweatman, Q.C.	— Winnipeg

The names I have just mentioned include one to which I must draw particular attention. It is that of our Past Chairman, Lancelot J. Smith, F.C.A. Lance Smith's contribution to the Foundation has been exceptionally outstanding both in its intensity and extent. Apart from a two year respite in 1959 and 1960 he has served on the Board and its Executive Committee since 1956, as Vice Chairman from 1961 through 1965, and as Chairman in 1966. During this period he chaired the finance committee—spurred fellow Governors to action by word and example to keep Foundation revenues growing in step with the expansion of the work, and oversaw the expenditure side of the ledger, with equal success.

Few Governors have been closer to the work of the Foundation or understand as intimately what our tax research program involves. These latter insights reflect, in addition to his close association with the Foundation, Mr. Smith's own avocation of recent years—the chairmanship of the Ontario Committee on Taxation, the report of which is expected to be completed in the not too distant future.

These few sentences fail, of course, to depict the full extent of his contribution, which often included day-to-day assistance and advice to the director and secretary-treasurer.

In Lance Smith's case, the wisdom of the long-standing provision which elevates Past Chairmen to the Foundation's Advisory Committee is abundantly clear. His advice will be frequently sought by the Board and staff of the Foundation in the future, as it has been in the past.

Conclusion

In concluding this report I should like to thank my colleagues on the Board of Governors, members of the sponsoring professions, and Foundation members and contributors for their support. As Chairman it has been a most interesting and rewarding year despite the fact that at least 50% of the time of all Board executive committee meetings was devoted to considering whether or to when we should postpone this Conference.

The months ahead will provide great challenges for everyone interested in Canada's having the best tax system it is possible to construct and administer. The Foundation in every way possible will try to assist Canadian taxpayers to reach this goal.

I now move, seconded by H. Marcel Caron, C.A., that this report of the Foundation for the fiscal year ended on December 31, 1966 and the Financial Statements of the Foundation as of the same date, as submitted to this meeting, be and they are hereby approved and adopted.

PHILIP F. VINEBERG, Q.C.
Chairman

April 25, 1967

Report of the Director
to the Twenty-First Annual Meeting of the
Canadian Tax Foundation
April 25th, 1967

It has been customary for the Director in his report to survey the fiscal scene and to outline the research work scheduled for the Foundation in the months ahead. Since the fiscal scene will be dominated for some time by the Report of the Royal Commission on Taxation, the Foundation has its work cut out for it, and I can be very brief.

Some fundamental decisions about the Report will soon have to be reached by governments and taxpayers. Needless to say these will be extremely difficult. No matter what they are it will be possible to criticize them as going too far or not far enough along the tax road recommended by the Commission.

I feel sure everyone attending this conference will have considerable sympathy for those whose responsibility it is to decide which recommendations should be adopted and how they should be handled.

Following this Conference the Foundation will continue the process of assisting members to digest, analyze and appraise the recommendations and the reasoning and assumptions behind them. The papers from the Conference will provide a major pool of criticism and opinion about the Report. These will be published as quickly as possible and will, I expect, be basic to future work on the Report.

If or when implementation begins, the Foundation, through its staff and members, will be able to play a useful role in the examination of the proposed legislation at various stages of its development into law.

Research and Publications

Our main publication, the *Canadian Tax Journal*, continues to flourish and to evoke many compliments from members both here and abroad. The 1966 issues contained a mixture, as usual, ranging from articles based on one section of the *Income Tax Act* to those dealing with world taxation and fiscal policy.

Three Tax Papers were published in 1966. The first, published in April, was *The Financing of Canadian Federation*, which at the time of the last Annual Meeting was awaiting completion in French. As I mentioned last year, it incorporates Tax Paper No. 6, by Harvey Perry and Milton Moore, which covers the years from

1867 to 1953, while developments from that date were described by Donald Beach.

The second was *Essays in Taxation*, by the late Dr. Kenneth Eaton. On publication it was hailed with nostalgic but enthusiastic approval, and the Foundation received hundreds of orders for copies, over and above the regular distribution. We also received numerous letters from members saying that they could not put the book down, that the vital essence of Ken Eaton had been preserved so that his light shone throughout the book — or as one member put it "I can just *hear* Ken saying these things!" We are very pleased to have been able to publish this book.

The third Tax Paper was the report of the Corporate Management Tax Conference held in Toronto. Stuart Thom held forth in his own inimitable manner on the 1966 tax changes; W. E. Goodlet dealt with the tax treatment of business insurance proceeds, D. H. Sheppard reviewed Canada Pension Plan tax questions, D. J. Sherbaniuk discussed provincial taxes and non-residents, and R. Anson-Cartwright spoke about records retention for tax purposes. Our popular luncheon speaker was the then Deputy Minister of National Revenue (Taxation), J. Gear McEntyre.

The third volume in the series "Papers in Taxation and Public Finance", containing the results of the Queen's University taxation study, was published last year. It contains five papers: "Altering the Tax Structure to Promote Economic Growth", by Douglas C. Brown; "The Fiscal Performance of Indirect Taxation", by Kenyon E. Pool; "Some Aspects of a Value-Added Tax for Canada", by Richard Malt; *Le Jeu Etatisé au Québec*", by J. A. H. Cannone; and "Revenue Productivity of the Real Property Tax (Ontario)", by Frank A. Clayton. The volume was edited by Professors Allan and Goffman.

The Foundation's thirteenth annual edition of *The National Finances* was published and, as with previous editions, was in great demand by universities and colleges. Preparation of the publication involves the efforts of several staff members: Mrs. Marion Bryden was able to complete her share before leaving the Foundation in September; Miss Mary Gurney carried on, assisted by Harry Kitchen, Richard Collins and Mrs. Millie Goodman. This team also produces the *Provincial Finances*, our biennial production, which is now in the hands of the printer. The third issue of *Provincial Finances* will contain a brief section on the fiscal situation in 1867 of the provinces which came into Con-

federation. We had hoped to complete this publication some months ago, but the heavy work load borne by the staff of the Dominion Bureau of Statistics prevented completion on schedule of several of the basic D.B.S. documents required for our work. In both *National* and *Provincial Finances*, we receive a great deal of assistance from government officials across Canada, and I should like to thank them for their generous co-operation.

Three *Tax Memos* were issued in 1966: "Provincial Finances, 1965-66", "Federal Budget Outlook, 1966", and a summary in English of the Report of the Quebec Royal Commission on Taxation, which at that time was available only in French.

Several publications have already appeared in 1967. A *Tax Memo*, giving the key proposals of the *Report of the Royal Commission on Taxation*, was produced jointly with CCH Canadian Limited and issued to members about two days after the release of the *Report*. Another *Tax Memo*, "Federal Budget Outlook, 1967" was issued in March, as was a further *Memo* incorporating summaries of the economic conclusions and the two minority reports contained in the *Report of the Royal Commission*. The second *Journal* issue of the year, containing the introductory portion of the *Report* and all the conclusions and recommendations, was issued to members much earlier than is usual for that issue. We are indebted to CCH for their assistance in the fast production of this *Journal* and in particular for the very useful index which was prepared by the CCH staff. The need which this summary of the *Report* filled is indicated by the fact that we have already had requests for nearly 3,000 copies in addition to our regular membership distribution of some 5,500. Some 1,500 of the additional copies were made available to the Canadian Association for Adult Education for distribution across Canada to its members.

A supplement to the *Index* of the Foundation publications covering the two years from December 31, 1964 has also been issued to members.

Tax Paper, No. 46, *The Allocation of Taxing Power under the Canadian Constitution*, by G. V. La Forest, was mailed late last week.

Staff

During 1966 several staff changes took place at the Foundation. Harry Kitchen joined the staff at mid-year, after winning his Masters degree in Economics at McMaster University. His enthusiastic approach to his work promised his quick development

as a valuable part of the staff team. However, the burgeoning expansion of Canada's universities exerts a strong pull for such young men, and Mr. Kitchcn will shortly return to the academic world to teach at Trent University.

In the fall of last year, Mrs. Marion Bryden, after seven years of excellent work as our statistical research associate, accepted the position of research director for the N.D.P. caucus of the Ontario Legislature. She was succeeded by Richard Collins, who brought with him experience with the Royal Commission on Taxation and the Tax Advisory section of the Department of Finance. Mr. Collins has settled well into his work, as evidenced by our recently published *Tax Memo* forecasting the 1967-68 federal budget, and his contributions to the feature "Fiscal Figures" which appears in the *Journal*.

The Foundation research staff was further strengthened last year by the appointment of Mrs. Millie Goodman on a part-time basis. Mrs. Goodman's experience included editorial work with CCH Canadian Limited and the Royal Commission. Her meticulous attention to detail and a passion for accuracy in everything she does has made her in very short order a key member of our research staff.

The excellent work of Gwyneth McGregor, Alan Short and Mary Gurney is well known to members. Gwyneth McGregor's long exposure at the Foundation to every aspect of taxation and every phase of Foundation activities is reflected only in part in her incisive case comments in "Around the Courts". For example she has given me a great deal of assistance in planning this conference; and her painstaking editing and criticism of articles submitted for publication in the *Journal* continues to encourage many tax writers to "stay with it" until their work reaches a level much above that of their original submission.

Alan Short's concentration in print upon international taxation perhaps obscures his broad interest in and knowledge of taxation generally. Each year his value to the Foundation increases. And each year Miss Gurney's scope and responsibility for preparation of publications broadens, as does her skill as a researcher in the labyrinth of government spending programs.

In the Library, Mr. Bazylewycz continues to serve, faithfully and well, both the research staff and visiting students and members. Like librarians everywhere he wages a continual battle to keep selected, indexed and available the growing flood of published material from all over the world that threatens at times to engulf us.

Our secretarial staff consists of Mrs. Joan Code, my secretary, Mrs. Anne McAlonen, our receptionist, and Mrs. Evelyn Wilkinson, who assists Mr. Reid. With occasional part-time assistance these three handle all our correspondence, manuscript copy typing, cards for the library, and all the typing and filing connected with memberships, which is Mrs. Wilkinson's particular responsibility. She has borne the main brunt of the record membership increases described in the Chairman's report. They are kept very busy, particularly at Conference time. Mrs. Code has handled with maximum efficiency the great volume of correspondence and other secretarial work involved in the planning of the Conference program.

It remains for me to say a word or two about Jim Reid. I can best describe him as being one of those all-too-rare people who can be counted on absolutely to carry through to completion in a first class manner any task he undertakes, regardless of any personal inconvenience this might involve. And there has been a great deal of the latter for Jim Reid in connection with this Conference. In the special need associated with the Conference he has been assisted for varying lengths of time by Mrs. Margaret Lally, Mrs. Sally Halpern and Mr. Ray Champion.

To each member of staff I say "Thank you". As Director I could not ask for more competent, energetic or enthusiastic colleagues.

In concluding, I should like personally to thank the participants in this Conference for their co-operation and understanding—and even sympathy—extended to me each time it was necessary to upset their plans with another postponement. Similar thanks are most certainly due the staff of the Royal York Hotel who, on short notice, did everything possible to get us the best possible facilities for the Conference.

On behalf of my staff colleagues I should like to thank the Board of Governors and members of the Foundation in governments, business, the universities and the legal and accounting professions for their support and encouragement throughout the year. While this was evidenced most concretely in the provision of our excellent new offices into which we moved last fall, rarely a day goes by without other evidence of this support reaching us. Working in such an atmosphere is virtually the only painless aspect of taxation of which I know.

RONALD ROBERTSON
Director

April 25, 1967.

Canadian Tax Foundation

PUBLICATIONS

Canadian Tax Journal: every two months

Conference Reports: papers delivered at annual conferences

Corporate Management Tax Conference Reports: papers delivered at annual corporate management conferences

The National Finances: annual analysis of the revenues and expenditures of the Government of Canada

Provincial Finances: biennial analysis of provincial governments' finances

Tax Memo: intermittent reports on matters of topical interest

Local Finance: intermittent studies and reports on municipal finance and taxation

Principles of Income Tax: by *H. D. McGurran*. Revised to January 1, 1963. (\$1.50) (Also available in French.)

Canadian Fiscal Theses Series: No. 1. Business Financing and Taxation Policies, by *C. F. Owen*. 1959. (\$1.00)

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