

Canada is very much higher, so I am informed by the Minister of Finance, than any corresponding taxation in the United States at the present time. More than that, I am assured by the Minister of Finance, who has made a careful study of the systems of taxation prevailing in the various countries in the world during this war, that the business profits tax of 1916, as amended by the Act of 1917, imposes a heavier taxation on profits of that character than is imposed in any other country in the world. So there can be little fault found from the standpoint of my hon. friend or from the standpoint of any one else, with the course which has been pursued by the Minister of Finance in that regard. War-business profits in Canada to-day are paying a heavier tax than similar profits are paying in any other country in the world. So much for that.

With regard to the income tax, it is perfectly true that the income tax as recently introduced in the Congress of the United States is heavier than the income tax proposed here. It was introduced there upon a certain scale, and that scale has been considerably increased. The scale proposed by the Bill which is now under consideration corresponds approximately, I think, with that which was first introduced in the Congress of the United States. But we shall not have exhausted the legislation that may be possible in this country by the passage of this Bill. The Minister of Finance, in introducing this measure, had to take into account more than one consideration. In the first place he had to take this into account; that in so far as this legislation imposes taxation during the year 1917, it is retroactive in respect of more than half of the year. He had also to take into account what has been put forward very clearly and cogently by the hon. member for St. Antoine, namely that a great many persons in this country who are contributing this year as in the past very abundantly and generously from their incomes towards the Canadian Patriotic Fund ought to be considered in that regard. Notwithstanding what has been said by my hon. friend from West Middlesex in depreciation of those people in this country who are blessed with this world's goods, I hold that the vast majority of them are entitled to every commendation for the splendid way in which they have come to the aid of the Canadian Patriotic Fund. Simply because a man may be found here and there

who, although blessed with abundant means, has not done his duty as others have, it is neither fair nor just to cast aspersions upon the community as a whole, because the community as a whole has risen splendidly to the need of the hour.

Mr. OLIVER: Would the Prime Minister be good enough to say who in this debate was casting aspersions?

Sir ROBERT BORDEN: The hon. member for West Middlesex (Mr. Ross), as I understood him.

Mr. ROSS: I rise to a question of privilege. I think the Prime Minister has entirely misrepresented my remarks, unintentionally, I believe. I commended those wealthy men as a matter of fact. Many of them have done noble things. What I said was that as a class they should bear their burdens with the poor people of the country, and I still say so.

Sir ROBERT BORDEN: I did not in the least suggest anything to the contrary, but I understood the hon. member for West Middlesex to speak in some such sense as I have mentioned. I am very glad indeed that he did not desire to be understood in that way. On more than one occasion he referred in a somewhat depreciative tone to the people of Toronto, apparently considering, for some reason which I cannot comprehend, that they had failed to do their duty in this regard. I believe the people of Toronto have risen splendidly to the need of the whole country, and have done their full duty in this war in every respect.

The Minister of Finance thought it desirable, for the reasons which have been mentioned, that he should fix the scale of taxation as it is proposed in this Bill. In the first place, he had before him the example of what had been done in the United States. The scale there has since been increased. In the second place, he had before him the fact that this Bill is retroactive for more than one-half of the year 1917. In the third place he had to take into account the fact that those who have contributed so splendidly and generously to the Canadian Patriotic Fund without the expectation that heavy taxation would be imposed upon their incomes, ought to be given for this year the consideration which is rendered by this Bill. All these matters, however, leave it entirely open to the Minister of Finance to take up the question again at the next session and have it dealt with by a Parliament fresh from the