

properties at higher figures than they could dispose of them for to-day.

Mr. NESBITT: Gone over to the mortgages.

Mr. COCKSHUTT: Yes, many of them. Many of these properties are not paying the interest on the mortgage and the taxation, and some are not even paying the taxation as it is at present. So, if he will think the matter over, I think that he will come to the conclusion that this is not a good time to levy on real estate values in this Dominion. I speak of this seriously, because I know a little of the subject and am familiar with a good many towns and cities that have been very prosperous but very few of whose properties will sell on the basis of the prices paid by those who bought them two or three years ago. Any person who has been watching the course of events in that respect, I think, will bear out what I say. Therefore, I do not think it would be prudent for the minister to consider the taxing of real estate, especially as in the province of Ontario and, I judge in some of the other provinces, a tax for war purposes has already been laid on these properties, so that they are to-day bearing all the way from twenty to thirty mills on a pretty high valuation. Any one who is getting six per cent, after paying taxes and repairs on his property, is a very fortunate real estate owner. That is, speaking well within the mark, for I have no wish to exaggerate.

If there is any subject of taxation to which the minister might well turn his attention, and which is not covered by the measure before us, I think it would be the matter of income. That would cover properties, possibly, that are doing well, but would exempt properties that are not doing well. After all, there is a great deal to be said in favour of the man being called upon to pay who can pay. The man with the large income is the man who can pay, and whether that income be derived from property, stocks, transportation companies, or anything else, the men who receive these are the men who can afford to pay it. I think the proposals of the Minister of Finance are very equitable. And he himself is a fair-minded man, and an expert in these matters. My hon. friend from Northumberland (Mr. Loggie) need not have so worried for the last week or ten days. If he will leave these matters in the hands of the Finance Minister, he will find that no injustice will be inflicted upon him.

I have not heard that the industry in which he is engaged is being attacked—I hope not, it is a legitimate industry, and I hope it is flourishing. But the hon. gentleman must allow some latitude to the Minister of Finance, and after all is said and done I think the Minister of Finance is more familiar with this question, perhaps, than any other gentleman in the House. He is fair-minded and just and will not unduly exact from any industries taxation that he does not think they are qualified to bear.

Mr. PARDEE: The hon. Minister of Finance, in making his explanation to the hon. member for South Renfrew (Mr. Graham), said that this was a temporary tax, that he did not think it would last much more than this year and next year. I sincerely trust that that is right; but I should like to know upon what he bases that assertion. If this is only temporary taxation, will a permanent measure of taxation be substituted for it later?

Sir THOMAS WHITE: The Bill and its terms expire on December 31, 1917. When I used the word "temporary" I had in mind the period of three years over which the Bill extends—that is, three accounting periods of one year each, and no more. So that by its terms it is a temporary, not a permanent tax. I stated the other day that the enacting part of the Bill would come to an end on the date mentioned, although it was true that in the succeeding year a payment would be due in respect of the accounting periods ending in the year 1917. I stated also that if at the expiration of the period of this legislation further measures were required, the Government would have to consider what measure would meet the situation. I made the statement positively, and I make it now, that so far as this measure is concerned, it is the intention of the Government that it should come to an end at the date mentioned in the Act.

Mr. MACDONALD: You will not continue this form of taxation; you will substitute some other?

Sir THOMAS WHITE: I do not know what the condition may then be. My own view, although it is of no more value than that of any one else, is that it is extremely improbable that this war will continue until December 31, 1917. As I have said, if it does continue, and if the condition is such that, this taxation having come to an end, further taxation shall be re-