

tacle that we see in our large cities to-day, with individuals rushing to the brewers' warehouses to buy up all the day's quota of beer, then in the evening parading from hotel to hotel and exhausting the supply of each tavern. That is a spectacle which should not be seen during these serious times. Let us have temperance in all things and prohibition in none, except where it may be necessary to bring about an all-out war effort. On Saturday last I was sorry to learn that in one institution the workmen, who under the terms of their union agreement had free access to a bulletin board, had placed on that board a sign saying, "No beer, no bonds." That is not a satisfactory condition; it is a very serious matter, and it must be remedied. I hope during the course of this debate the Minister of National Revenue (Mr. Gibson) will tell us what he intends to do in order to give some respectability and restriction to this traffic which is always with us.

I come now to a matter with which I should like the Postmaster General (Mr. Mulock) to deal. We have invaded the sacred precincts of the Post Office Department and demanded an additional \$8,000,000 in revenue through an extra one cent of postage on letters, postcards and first class matter. This is another tax which business will have to pay, and I do not think business will complain very much about it. This additional money will be very difficult to find, except of course in those businesses which are in the excess profits bracket, and there are not so many in that group despite what may be said by some of our demagogues. But in my opinion, this extra tax will not produce a clear \$8,000,000, for various reasons. First, there will be economizing on the part of business organizations; second, there will be less social correspondence; third, companies now paying excess profits tax will reduce the amount of such excess profits tax payable to the government and will even reduce the tax paid on their ordinary profits by including this extra amount for postage as a proper charge against the conduct of their affairs. I can understand why there should be no extra taxation on second class matter such as newspapers, and daily, weekly and monthly periodicals. An additional tax on this second-class matter would be out of proportion as compared to what business might stand, because the distribution of newspapers and periodicals is so great and postage forms such a large part of the actual expense of carrying on their business. In an ordinary business house the cost of postage probably amounts to less than one-half of one per cent of the cost of the year's operations, while in the

case of newspapers and periodicals undoubtedly it is many times that percentage. At the same time I have no doubt there is a political reason, which I bring to the attention of the administration in as kindly a manner as possible. I suppose any government would put its political life in jeopardy if it added fifty per cent to the cost of circulating these newspapers and periodicals. But now that we are going to collect more money from the Post Office Department, some means should have been found to spread that increase over the whole gamut of the post office business, making exceptions here and there as might be necessary. I believe the government should have had enough courage to impose further taxes upon third-class matter, being careful to exempt literature for the blind, school examination papers, and other items which directly affect the welfare of the state. All the welter of unnecessary circulars should bear its full share of the cost of our mail service. Over fifty per cent of the third-class matter, which is the portion of the mail that breaks down the constitution of our letter carriers, finds its way to the desk of the individual to whom it is addressed, where it accumulates until in his spare time he finally drops it into the waste paper basket. That part of our third-class mail could very well afford to bear a greater share of the cost of our postal service, in the interests of the economy of Canada. It is an economic waste, and should be curtailed if it cannot bear its fair share. I would ask the Postmaster General to give the house some explanation as to why the government did not cover the entire field when once it entered upon the sacred precincts of the Post Office Department in connection with taxation.

I now come to a matter which has been engaging the attention of the press and public of Canada. I refer to what some call the Ruml plan, but what I call the Ilsley plan, in regard to the payment of income tax. First may I be permitted to make this observation to this house, to the press and to the people of Canada. The adoption of the Ruml plan or the adoption of the Ilsley plan is not going to save the nation. Far too much emphasis is placed upon and far too much attention is being paid to this one item in our taxation. It is a question whether we are being fair to Canada's war effort by occupying the time of our people and the time of this house in worrying about this particular item.

I have looked over the proposals of the minister and I cannot bring myself to agree that he is carrying out the Ruml plan. A better name for this partial application would be the Ilsley plan. It is difficult to understand why, the tax for the four months