

the amount assessable for income tax, but that amounts paid into such funds by way of municipal or provincial taxation would not be so deducted. If that is the case, it is most unfair. In Manitoba we have a very large tax, especially for the Patriotic Fund, amounting to about \$8 upon each quarter-section of land. If the amount that a man pays into the Patriotic Fund in the ordinary course is deducted from his income assessable under this Act, surely the amounts collected from him by the municipality for the Patriotic Fund should be similarly deducted.

Mr. PUGSLEY: I think that paragraph (e) should be changed by striking out the words "subscribed and," so that it would read "amounts paid by the taxpayer during the year to the Patriotic and Canadian Red Cross Funds." I desire to press the view that people who contribute to these patriotic funds under a system of taxation authorized by the provincial legislatures should receive the same treatment as those who pay in a province where there is not such legislation. In New Brunswick the amount raised is, I think, about \$500,000, which is a very generous contribution. Some gentlemen in the city of St. John have asked that their taxes for the Patriotic Fund should be very largely increased beyond what they would be liable for under the law. Their request has been complied with, and the amounts which they pay are very generous. They will feel that they are discriminated against if consideration is given to those who contributed voluntarily, while no consideration is given to the people of those provinces which have passed a law providing that all people shall pay according to their means. The member for Montreal, St. Antoine, says that it would involve a good deal of bookkeeping to take into consideration the taxes paid under provincial legislation, because in many cases the amounts are comparatively small. Well, it would lead to no more bookkeeping than the making of a record of all those who contributed voluntarily, because the voluntary contributions are not all large. In New Brunswick the amount of the tax for the Patriotic Fund is endorsed upon every tax Bill; it appears separately in the assessor's books and in the books of the collector in each municipality. If any taxpayer desired to have exemption in respect to such payments to patriotic funds, he could make out his statement just as the man who contributes voluntarily makes out his statement in order to secure exemption.

Sir HERBERT AMES: How would you divide up the million dollars that is given by Quebec in such a way that each taxpayer would have a fair share?

Mr. PUGSLEY: That, of course, is an indirect contribution.

Sir HERBERT AMES: Not at all; it is raised by taxation.

Mr. PUGSLEY: That is a contribution by the municipality. I suppose bonds were issued for the purpose of making the contribution.

Sir HERBERT AMES: They did that in many cases in New Brunswick.

Mr. PUGSLEY: In New Brunswick there is a direct tax upon every owner of real estate in the province. As soon as the law was passed there, voluntary contributions largely ceased, because it was considered that the amount raised by taxation should take the place of voluntary contributions.

Sir THOMAS WHITE: I should dislike very much there being any feeling that discrimination existed. Some citizens subscribe directly; others concur in legislation taxing themselves and others for the purposes of the Patriotic Fund. Probably each taxpayer will indicate in his return the amount for which he has been taxed for patriotic funds. The view of my hon. friend would be met if we struck out the words "subscribed and" in paragraph (e). I would move that these words be struck out. It is hardly likely that we shall get the administration of the Act down to the mathematical nicety of a few dollars. However, we will do the best we can with it; this amendment is to avoid the appearance of discrimination.

Mr. PUGSLEY: The striking out of those words meets the case.

Amendment agreed to.

Mr. LEMIEUX: What is the nature of the special war tax imposed in Ontario? I understand that this tax was imposed for war purposes, to assist the various funds which are incidental to the cause in Ontario.

Mr. NICKLE: It was put into a separate fund, as I understand the matter, and administered from time to time for various objects in connection with the war—Red Cross, Sailors' Relief, purchasing machine guns, Patriotic Fund and several others.

Mr. LEMIEUX: I am very glad for the explanation given by my hon. friend. I