

Mr. WHITE: My hon. friend has overlooked the excise duty on raw tobacco imported into Canada. If he will look at that he will see that the interests of Canadian growers are reasonably well protected.

Mr. McCOIG: The minister will understand that directly the Canadian manufacturer is given increased protection he can lower the price he pays to the Canadian producer, because he has no competition from the American manufacturers. If the minister would consider the growers in this matter and give them a proportion of the protection, it might assist in encouraging this industry. I admit the Minister of Agriculture has been anxious to encourage it, and that a large amount of money has been spent by this Government and the late Government in endeavouring to put it on a sound basis.

Mr. WHITE: Under the resolutions relating to inland revenue, I would point out that the excise duty applies on foreign raw leaf tobacco. I understand that is a most important factor in the consideration of the question that my hon. friend has drawn to my attention.

Mr. CARROLL: While we all admit the unfortunate necessity of collecting an extra revenue for war purposes, I am one of those who think it might be raised in a somewhat different manner. Before leaving my constituency for this special session of Parliament, I was instructed by the various labour organizations of Cape Breton county to protest against any proposed increased tax on the necessaries of life. In making his Budget speech yesterday, the Minister of Finance stated that he had placed a tax on materials which would affect the people of Canada in general alike. In the first place, I want to say that in Canada our foodstuffs have increased very materially in price in recent years. I do not know that there is any particular cause for it, but it does seem a hardship that people who a month ago were paying \$5.50 or \$6 a barrel for flour should have to pay an extra dollar for it to-day. That is one of the things the Government should take into consideration: they should see that our wholesale dealers in foodstuffs and our millers are not permitted to become wealthy, in an unfortunate situation of this kind, at the expense of the common people. As for sugar, it is something that is used by all people. When the minister told us yesterday that he expects to raise \$5,000,000 from the extra tax on sugar, I considered that too much of a

[Mr. McCoig.]

hardship to place on the common people of this country. It might be said that the tax is not placed on the common people but on the nation as a whole. That is very true. In my opinion, however, the Government should see that those who pay the war tax in this particular case are those who can well afford to pay it. In this war it is the poor man who will have to shed his blood; it is the poor man who is called on to defend his country, and I do not think that he should be called on to share with his rich neighbour the burden of taxation. As my hon. friend from Red Deer (Mr. Michael Clark) very cogently put it yesterday, it is the poor man who generally has the large family, ranging from seven to ten, and if his family individually uses the same amount of sugar as the rich man's, then the burden falls more heavily on the poor than on the rich.

Then, in regard to preserved fruits and sweetened biscuits. I will not pay any attention to sweetened biscuits, but preserved fruit is the kind of fruit that is a luxury in the homes of the poor. I would rather see the duty placed upon fruit that is grown in the United States, and imported into this country and used more extensively in the families of the rich than in the families of the poor. There should be other ways of raising a war tax, of raising money to help out the mother country, and we are all anxious to help her out in her hour of distress, than by placing a tax on the food of the common people. For example, we have in this country men who are willing to come to the front and contribute \$500,000, \$20,000, \$40,000 in defence of the Empire. They are asking to be allowed to do it and they are offering contributions. Would it not be a wise thing for the Government to take into consideration the placing of a direct tax on these people and finding out how many there are in this country who are willing to say: I am the proud possessor of \$100,000 and I am willing to pay a 5 per cent or a 2 per cent tax upon that money and to give it for war purposes? That is the income tax. Then there might be a stamp tax placed upon all cheques issued or all receipts received. That would not touch so much the pockets of the poor as the pockets of the rich. I am protesting against this method of raising taxation. I am protesting against the height of the tariff on the foodstuffs of the common people. They are burdened enough now, they are overburdened, and it is a serious matter to burden them further.