

the exception of the amount taken by way of compulsory savings, or the refundable portion, could be taken off month by month, whenever pay-day comes around. The portion that is refundable could be paid at the time the income tax return is made out. I believe there will be considerable difficulty if people are not allowed to have this money to take care of obligations. I have other suggestions to make in connection with resolution No. 7.

Mr. ILSLEY: I think we had better take them up resolution by resolution. My hon. friend and the hon. member for Cape Breton South (Mr. Gillis) have been discussing resolution No. 25. When we reach that resolution we will have a discussion on it. The two points of view expressed are important, and my colleague, the Minister of National Revenue, will be prepared at that time to discuss the matter of procedure.

Mr. BOUCHER: Has the minister considered explaining the tax by showing what an individual will have left after paying the tax and the compulsory savings? This is something which is of interest to the people. There is one class of taxpayer who is paying on life insurance, on annuities and perhaps on a mortgage, and he is given certain exemptions from his compulsory savings. On the other hand, to many young married people who are just starting out in life to raise a family, a home is most essential, but these schedules will give them exemption only on payments on mortgages which were in existence before the budget was delivered.

Mr. ILSLEY: That is covered by resolution No. 7.

Mr. BOUCHER: It has an effect on this resolution, because we should consider what is left to the individual. In many areas of Canada there is a shortage of houses, and every inducement should be offered to persons newly-married to buy houses. If we knew what would be left to persons in the various income groups after they had paid all taxes, we would be better able to discuss this matter.

Mr. ILSLEY: If the hon. gentleman will turn to page 3582 of *Hansard* he will find the taxes on various incomes, and then it is just a matter of subtraction.

The CHAIRMAN: I find myself quite unable to link up some of the remarks that have been made with resolution 1. I have allowed some latitude in the hope that it would shorten the discussion later, but I may be mistaken.

Mr. NICHOLSON: I followed with a great deal of interest the remarks last night of the
[Mr. Bence.]

hon. member for Broadview (Mr. Church), who was very critical of this tax. The hon. member and many others seem to find it difficult to realize that about a million and a quarter of our Canadian people are now either in the armed forces or working in munitions industries. It is physically impossible to carry on a war of this sort without making a great many adjustments in our national life. We must face the fact that to a greater extent than ever we must see more and more of our consumer goods diverted directly to war purposes and less and less available for civilian use.

The hon. member for Broadview contended that this income tax would take away all incentive, that the people would be left with very little. I should hate to think that when the session is over hon. members who have professions will refuse to do any work because they will be compelled to pay the government 50 cents or more on every \$1 that they earn. I should hate to think that people who are in the favoured position of being able to pay an income tax are going to rest on their oars because the government has found it necessary to impose taxes of this kind. As I said before, there is no easy way under the sun to carry on a war of this sort.

Members of the minister's own party have offered criticisms regarding the methods he is using to finance the war, but if they were in his position I am sure they could not devise any scheme which would make it easy for the Canadian people to maintain a million and a quarter persons in industry and in the war services. The hon. member for Broadview said that people would have nothing left. I was interested in the table placed on the record this afternoon by the minister, and I commend him for accepting the suggestions made by members of this group on former occasions. On other occasions we have suggested that it is not the amount of tax that the individual pays that matters; it is the amount he has left after the tax is paid. I appreciate the difficulty the minister must have in steering a course midway between our point of view and the point of view of members like the hon. member for Broadview.

I have prepared a table showing the amount per day that is left to a Canadian this year as compared with what he had left last year, assuming that there are six days in the week and fifty weeks in the year. All my figures are for single persons without dependents. A man who had an income of \$1,000 last year paid a tax of \$87 which left him \$3.04 per day; his new tax, plus the refundable portion—we must remember that the refundable portion is imposed so that he may not use