

question arises what proportion would be fair under improved conditions.

"Present conditions" in the case of the Provincial income tax means that only 60 per cent. of this tax is collected, 40 per cent. being lost, uncollected. From this 60 per cent deduction has to be made of the 10 per cent discount given for prompt payment, and a further deduction for cost of collection.

"Improved conditions" would mean an increase of the collection, from 60 per cent to 70, 80, 90 or even 100 per cent, with no deduction for prompt payment or cost of collection.

If 30 per cent be assumed as a fair refund under present conditions, 50 per cent would be fair under the improved conditions.

How could the present conditions be improved in order to secure the additional refund. By enlisting the co-operation of the employers and employees in the city.

No good, or even ordinary, citizen, objects to pay a fair share of the cost of services received; though some citizens may not object to escape such payment. Any citizen is a better man or woman, as well a better citizen, in paying a fair share of the cost of fire and police protection, schools, roads, streets, water, etc. You would think badly of a friend or neighbour, who, though able to pay his own street car fare, was always trying, when out with you, to get you to pay it for him. It should be a case of "Dutch treat"; every one should pay his own share, if possible.

This by way of prelude to saying that the co-operation of the employee can be taken for granted; he is willing to pay a fair share, when it be proved that the share is fair, and that the Government is getting it. Now for the co-operation of the employer. It is necessary to secure this co-operation, because the extra work, etc., is to be borne by the employer. Employers already co-operate with the Provincial Government in providing and paying the funds necessary for the carrying on of the Workmen's Compensation Board, and in the collection of the 1 cent per working day from each working man, paying it to the Medical Aid Fund of the Board.

Employers also co-operate with the Federal Government in collecting the Government Sales tax.

How could employers collect income tax from profits, dividends, salaries, bonus, wages, etc. Collection could be made from salary or wages, when paid, on the amount paid, less exemptions, and from the remainder, when payments are made. Collections should be made in the case of wages and salary, or wages alone by means of cancelled Inland Revenue stamps in order to assure payees that the Government obtains the tax. All employers would require to keep a record of the salary or wages due, tax deduction, and the net payment.

The rate of the sliding scale of the income tax could be arranged so as to provide for exemptions; persons receiving weekly \$24 (unmarried), or \$30 (married), with an additional \$4 for each dependent, would have no deduction; payments in excess of these sums, up to \$10 in excess, would be subject to a deduction of, say five cents; an additional