

instead of \$1,200. In the cities, where most of the tax is collected, let anyone try to maintain the Canadian standard on such minimum amounts. The tax scale starts at 22 per cent and goes up to 85 per cent on anything above these amounts. Is incentive to be found in any of those rates, in view of the minimum exemptions allowed? Should the Canadian government become an agency for lowering the standard of living of the Canadian people below the necessary level of decency? We are not so much concerned with what other countries may do as we are with allowing a fair standard for those who by their own efforts strive to maintain a decent standard.

Mr. ILSLEY: Would the hon. gentleman be in favour of raising the exemptions to a level which would lose us \$300,000,000 in revenue, thus making the deficit \$600,000,000, instead of \$300,000,000?

Mr. JACKMAN: If the minister will bear with me for a few moments he will hear some constructive suggestions which I shall presently make. The concessions granted are niggardly and even grudging, even when those applicable to 1946 are combined with those promised for 1947. Taxation is still strongly reminiscent of wartime rates when we no longer have a war. Among the strange arguments the minister cites in defence of his policy is the following:

We cannot secure proper equity and fair treatment if the exemptions from income tax are so high as to exclude most of those receiving incomes.

What right has he to accuse the Canadian people of such a dog-in-the-manger attitude, and how does he reconcile the fact that already many small wage-earners are not and should not be taxed? The majority of the citizens are not made economy-conscious by being included in the tax roll. They merely grouse. Like everyone else, I subscribed to the idea that if a man paid a tax he would be more interested in government expenditures. It was thought to be an excellent investment in citizenship. The result disproves the theory and only leads to the asking of greater "take-home pay". Indeed, it is obviously the minister's desire that taxation be not lifted at the present time. For listen to this:

Moreover, as I have already indicated, the current economic situation in respect of the available volume of purchasing power and current spending trends is not such as to provide an economic justification for reducing taxes at the present time. Lighter taxes are not needed now for the purpose of permitting or encouraging additional private spending in order to maintain employment this year. In fact, if only immediate economic conditions were involved, one

[Mr. Jackman.]

could make a case for temporary higher taxes in order to curb the excess of spending in some directions that is tending to pull prices up.

What an example of a restrictionist policy! This is managed economy with a vengeance, a shining example of how we are to be treated if the brain-trusters are to be allowed to run the affairs of the Canadian people. Let our people be warned by it!

Yet the minister talks about increased production as the primary aim and need of the present budget. So let us see how he would encourage married women to remain at their jobs. I am not speaking of mothers with children to look after, but there are many married women who have not such responsibilities but who are free and who desire to work part time. With the shortage of help in the domestic field and in the needle trades, where work is done at home, to mention only two classes—and one might include some of the able secretaries in the House of Commons—there are many women who will not work beyond the earning of \$250 which is allowed them before their husband's taxation is substantially increased. Earned incomes of married women did not reduce a husband's tax exemptions to those of the single man during the urgent need for war production. But now production apparently is not so necessary, and yet the minister preaches production as the chief means of offsetting the calamitous dangers of inflation.

Of course, in theory a married man should not be allowed the marital exemption of \$750 if his wife works. I agree. But are we more interested in theory or in production? It is a case of man being made for the theory and not the theory for man.

Mr. ILSLEY: Are we not interested in equity and fairness to some extent?

Mr. JACKMAN: I am not going to elaborate an answer to the minister's question. I am interested in production, and I do not believe that the Canadian people wish to adopt this dog-in-the-manger attitude which the minister suggests. If a man's wife is able to work and produce, particularly at the present time when there are more jobs offering than workers to fill them, I say, let her work and give her some incentive; don't reduce the married man's exemption.

Mr. ILSLEY: My hon. friend can not have heard the scores of speeches made in this house in the last two or three years on the other side of that question.

Mr. JACKMAN: I am speaking as I see it, as I believe it and as I think I know it will work out. It will help the minister a great