

gentlemen who have just spoken. The Minister of Finance has been preaching production all through the country. Now here is a chance for him to crystalize this encouragement into legislation in a businesslike way. The object of the exemption is to enable a man to support his family in comfort, before he is taxed. I regret that we cannot find many examples of large families in the province of Ontario. In Ontario, when you find a large family, it is extraordinary, whereas in the province of Quebec, when they have a small family it is extraordinary. It does not seem reasonable that a man without any children dependent upon him should be exempt to the extent of \$3,000 income, and that another man in similar circumstances but with perhaps ten children to support should only have the same exemption. As a matter of fact, the man with the large family will probably not have anything left for taxation. The minister says all these details will involve an enormous amount of work.

Sir THOMAS WHITE: I was speaking of dependents.

Mr. GRAHAM: Would it be an extremely difficult thing to keep this record? As the hon. member (Mr. Verville) has said, the returns will be made under oath, and the individual will have to swear that he is married, or unmarried, and in one more line he could add whether he has one child, or five children. This could be done if it were considered that it would complicate matters too much to have the children designated individually. Take an Ontario family as a fair example. I think if they average three children they are doing fairly well, and let us say that in any family where the number of children exceeds three there shall be a certain amount of exemption per child over and above that number. I believe I could work out a scheme for the minister by which this could be arranged without any difficulty.

Sir THOMAS WHITE: What about dependents?

Mr. GRAHAM: I have convinced the minister so far as the children are concerned. As to the dependents, I suppose my hon. friend refers particularly to single men?

Sir THOMAS WHITE: To married men as well.

Mr. GRAHAM: The first dependents a married man has are his children. If he is only exempt to the amount of \$3,000, and if

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he has ten children, he has nothing to give to dependents, with the cost of living as it is at present.

Sir THOMAS WHITE: Take a case where there are three children and seven dependents.

Mr. GRAHAM: My hon. friend will have to agree with me that the children must come first. We have some striking examples of unmarried men in this House. I am not in favour of encouraging a man to laxity in that regard, because I believe a man should get married, if possible, when he reaches a certain age. Of course, with some of them, it is not their fault. However, the fact remains that throughout the country there are thousands of men who are unmarried because they have dependents, and they have to keep, perhaps, a more expensive household than the man who is married, but has not any family. I urge upon the minister the advisability of considering making a distinction between an unmarried man without dependents and an unmarried man with dependents; let the latter show that he has dependents before you give him any better treatment than the man without dependents. If this was a war measure, to be wiped off our statute books in two or three years, we might take a general outlook and no one would be very seriously injured, but I take it for granted that the principle of an income tax having been once established in the Dominion, it is here to stay. That being so, we should start out on an equitable basis, and we should remember that in any form of taxation no matter how equitable you try to make it, you will find some injustice. I presume in this clause the minister will have to change the word "men" to "persons," because there are many spinsters who have taxable incomes, and who should pay upon them.

Sir THOMAS WHITE: I agree with my hon. friend (Mr. Graham) that in clause (a) of subsection 1, for the word "men" there should be substituted the word "persons," and I therefore beg to move:

That the word "men" in line 27 of clause (a) of subsection 1 of section 4 be struck out and that the word "persons" be substituted therefor; and that after the word "and" in line 27 there be inserted the words "widows or".

The subsection will then read as follows:

(a) Four per centum upon all income exceeding \$2,000 in the case of unmarried persons and widows or widowers without dependent children, and exceeding \$3,000 in the case of all other persons.