

are in today as a result of careful administration during the war. Our house has been kept in order, and for two successive years we have had surpluses on a large scale, which could be used—I put it in this way, for of course I am not in a position to make any definite statement on the matter—which could be used, with the approval of the sound business people of this country, for reduction purposes without injuring the country's financial condition. I say that is a most commendable position, and my honourable friends are wrong in choosing to be so indifferent to it. Let me remind them that at the corresponding period after the last war, when they were administering the affairs of the country, there was no surplus.

Hon. Mrs. Fallis: And no high income taxes.

Hon. Mr. Robertson: There were no surpluses at that time; make no mistake about that. I repeat that we are today in a sound and happy position. Despite very heavy increases in expenses of one kind and another there is a surplus, and our tax on incomes up to the \$2,500 bracket is lower than that in any comparable country. In case any of us in the higher income brackets are inclined to feel sorry for ourselves, let me point out that there is no capital gains tax in this country such as there is in the United States.

Hon. Mr. Quinn: But there is a luxury tax and an 8 per cent sales tax.

Hon. Mr. Robertson: There are other taxes in the United States also, but at the moment I am discussing income taxes, which my honourable friends are so concerned about. It is difficult to understand the indifference of my honourable friends to our surpluses; the only way I can account for it is that my honourable friends have had so little experience with surpluses that they do not understand what they are.

Honourable senators, I have already taken more time than I intended to take this afternoon. There are a number of points brought up by my honourable friend that I have not dealt with, but I am surrounded by a great deal of talent on this side and I do not want to discuss every question that is raised. I hope to have an opportunity later to say something of my experiences overseas as a delegate to the United Nations Assembly. Therefore I shall not detain the house longer at this time, nor shall I ask permission to inflict myself further upon the house when the debate is resumed.

Hon. Mr. Beaubien: Honourable senators, I move adjournment of the debate.

The motion was agreed to.

The Senate adjourned until Tuesday, February 8, at 8 p.m.
