

in Toronto and Montreal, and added to the price of these goods are the taxes the manufacturers pay. Naturally at the ports of entry the customs receipts will roll up high, but these receipts are simply added to the cost of the goods when they are distributed throughout the country. I say again that I am particularly concerned with these people who have not sufficient income on which to pay income tax. It seems to me it is an economic law, when you reduce the income tax, that you either put more taxes on those people, or you lose the opportunity of reducing other taxes, and I think it is absolutely unfair that there should be a drastic reduction in these taxes, without there being at least a corresponding reduction in the taxes paid by the ordinary people.

Mr. EDWARDS (Frontenac): Following the war came responsibilities and obligations which necessitated new forms of taxation. Some of those forms of taxation have rightly been referred to as "nuisance taxes". I trust the time is not far distant when all such will be eliminated. I believe of all the forms of taxation that we adopted the most logical and reasonable was the income tax properly graded. I do not know how much will be lost to the revenue of Canada by this proposed reduction of ten per cent all round, but I will venture to say that the total amount of reduction in the revenue caused by this cut of ten per cent will remain in the pockets of those who are well able to pay that money towards the revenue for the running expenses of the country. This cut of ten per cent in my judgment is a step in the wrong direction. I believe the minister and the government would have been well advised, if, instead of making a cut of ten per cent in the income tax, they had made a further reduction in the sales tax. That reduction would have reached every person to a certain extent. There is absolutely no question about that. There can be no disputing the fact that this reduction of ten per cent does not relieve in the smallest fraction the poor people of the Dominion of Canada. They get no relief whatever from it. The only persons who do and who can get any relief from this reduction of ten per cent are those who are best able to contribute to the revenues of the country and who, because of their personal wealth and influence, ought to contribute. They have a bigger interest than the mere individual who has nothing. There are other forms of taxation which might be imposed by the Minister of Finance to take the place of this one.

[Mr. Campbell.]

I think there is one tax he might impose which would perhaps be received with general approbation throughout the country. He might put a fair tax upon bachelors.

Mr. BENNETT: For instance the hon. member for West Middlesex (Mr. Elliott).

Mr. EDWARDS: There would be a great joy in contemplating such a tax and in seeing whom it would hit. Apart from joking, I wish to place myself on record as saying that I believe this proposed reduction of ten per cent all round in the income tax is a step in the wrong direction, and that reductions might be made in other taxes which would be far more in the interest of those who need reductions.

Mr. WOODSWORTH: I should like to endorse the position taken by my hon. friend from Labelle. The hon. member for Frontenac has proposed a tax on bachelors. It seems to me that that would be no more ridiculous than it would be to put a tax, as we do, upon families. It would seem to be quite in keeping that the man who has a large income and no family responsibilities should be taxed more heavily than the man who has a family and who is in every way contributing definitely to the national wealth of the country. But at present we are taxing that man most heavily. I do not know that I can say anything more than has been well said by the hon. member for Labelle. We all recognize that this reduction of ten per cent is a very uneven reduction. Ten per cent may be a comparatively small thing for the man with a small income, but a very heavy reduction for the man with a larger income. Therefore, I beg to move:

That the resolution be amended by inserting after the word "tax" in the second line the words "on incomes under \$10,000".

Mr. BENNETT: As one of the two who would be subject to the tax as proposed by the hon. member for Frontenac (Mr. Edwards)—

An hon. MEMBER: How about the member for Southeast Grey (Miss Macphail)?

Mr. BENNETT: Three, the Prime Minister, the member for Southeast Grey and myself. I might observe that my hon. friend from Winnipeg North Centre (Mr. Woodsworth) has overlooked, I think—I submit, at least—the discussion that took place last year. When the income tax was graded as it was last year, there was no provision made to overcome double taxation and I am sure that