

the amendments which were passed in 1940, allowing for the exemption of men in service in Canada, is discrimination against officers in junior ranks, to such an extent that from one end of the country to the other complaints are being received. It is not as though the men who hold commissions are financially better off than many men in the ranks. I remember during the last war, in the reinforcements from Canada to the Princess Patricia's, and in the Western university battalion, there were university professors in the ranks, and students were their officers. I point that out to show that there were then and are now no school-tie qualifications for officers in Canada's democratic army. The result of the law as it now stands is to discriminate against those men who, either by promotion or, in any event, by orders given by superior authority, are required while on active service to remain in Canada.

Mr. HANSON (York-Sunbury): Or to return to Canada.

Mr. DIEFENBAKER: Or to return to Canada, as the leader of the opposition suggests, in consequence of orders they receive. I do not think I have any other representations to make. Will the minister take into consideration particularly the question of exempting women who are now a part of our armed services, both in Canada and overseas?

Mr. ILSLEY: I do not know whether they are exempt or not now, but just on principle, I am always greatly interested in these demands from members for forgoing very large sources of revenue, and I wish to speak frankly now, because I am in a position where I have to and where I can. I have to say what I think regardless of whether it meets with approval outside this house.

Mr. HANSON (York-Sunbury): Whether it is popular or not.

Mr. ILSLEY: Yes. I am going to do that, and I will invite a little frank response, which I know I shall get from the hon. member for Lake Centre who has just resumed his seat. He has based his request for exemption of officers in Canada on the ground of discrimination, and he assumes that the only way in which that discrimination can be removed is by the removal of taxation. I have asked the officers of the department to tell me how much that will mean in loss of revenue, and the estimate, while it is not at all close, would be between \$15,000,000 and \$25,000,000.

Mr. HANSON (York-Sunbury): As regards the officers?

Mr. ILSLEY: Yes, under the present rates including refundable savings.

Mr. HANSON (York-Sunbury): That is an astonishing statement.

Mr. ILSLEY: Yes, but there are about 20,000, I believe. Does this feature of the matter worry hon. members, and do they think it would worry the public?—not that what worries the public is what guides us, but we are putting taxes on poor people in this country down to very low levels. We are putting very heavy taxes on men with medium incomes, and very, very heavy taxes on men with higher incomes. Does the discrimination between the taxation on civilians and the taxation on officers in Canada worry anybody? It does me, because I know that hundreds, and I think thousands, of civil servants have enlisted. In a great many cases they are doing non-combatant work, although they are members of the active forces. They are accountants, auditors and so forth and are doing a great deal of work of that kind; and as I say, there are thousands and thousands of them. For the most part their pay and allowances are considerably larger than they were in the civil service. I had a list prepared from one department showing the very large increases in pay. We refused permission to a great many civil servants to enlist. We have kept them in the civil service; we work them to death, or nearly to death in many cases, and we load on their backs these various taxes because we are asking them to make sacrifices. But they see across the way their former associates with uniforms on, and now we are asked to take the taxes off the latter altogether. Does that worry anybody? I should think it would, and yet nearly every hon. member rises in his place and advocates it. Take the girls who have enlisted. As I say, I do not know whether these non-commissioned officers and privates among the girls are free from income tax or not. The hon. gentleman shakes his head, and perhaps he is correct.

Mr. DIEFENBAKER: It is not in the statute.

Mr. ILSLEY: The hon. gentleman makes a fervent appeal; he asks that these people be relieved of taxation. I do not know upon what he bases his argument, but I suppose it is on the ground that they should be treated the same as non-commissioned officers. Consider the stenographers who are in uniform, and the cooks and other women who are performing many types of duties. When everything is considered these women, even though they receive only two-thirds of the private's pay, are receiving more pay than the grade one stenographers. Think of the thousands of grade one stenographers here in