

done, but so levying the taxes that all should pay their equal proportion. Is there any reason why every man should not pay according to his means? That principle will have to be conformed to before this war is finished and the bills met. I was talking with a financial man here in Ottawa last week, one of the first financiers of this land. He estimates that when this war is over, though he does not pretend to know, when that will be, our national debt may amount to four billions of dollars, taking both our borrowings and also our liabilities in providing for invalided soldiers after they return home. When the war broke out the minister should have adopted several systems of taxation. One is the form which he has adopted, the tax on business profits. He should also have an income tax. I think that, in addition, he should have gone to the municipalities and said to them: You shall levy taxes upon the taxable property of your municipalities at such-and-such a rate; collect it with your ordinary taxes and pay it over to the Government. The minister expects to raise through new taxes about \$50,000,000 a year. If he had imposed the taxes he should have imposed, he would have raised \$150,000,000. I want to tell the minister that the next time he goes to the country to raise a loan of \$150,000,000 or so, it is not going to be so easy as it would have been had the war expenditure been met more by taxes and less by borrowings. I think the Government lacked courage; they have simply followed the line of least resistance, realizing that taxation is always unpopular. The fact remains that taxation must be resorted to, and that it cannot all be piled up on one section of the people. The system the Government have adopted is unjust and unbusinesslike. If you doubt it, read the financial papers of this country and see what they think about it. I am not complaining of the tax on business profits, provided that all are equally affected. And when I say that there should be an income tax, without boasting at all, I think I should be affected somewhat myself. I want to be, because we owe it to our country.

Then there is the cry that recruiting has failed, especially in Quebec. Let us see if there is not a reason why the young men do not enlist in as large numbers as we think they ought to. I maintain that the Government is to a large extent responsible for it. Early in the war, when the British Government wanted munitions

and the people of this country were not equipped to supply them, and did not understand the methods of production, it was necessary to pay high prices, in order to get manufacturers started in this line. But the manufacturers did undertake this line of production, and soon they were flocking here to Ottawa, spending months of time, and begging for orders,—and could not get them unless they had political influence. The Government then, instead of fixing their price as they did at nearly twice what they ought to have paid, should have called upon the several manufacturers to say how many shells of certain sizes they could provide, and at what prices and what delivery, thus putting the whole matter up to competition. Had they done this, they would have got their shells for far less money than they have paid. I know one concern that declared a dividend of 400 per cent last year. When the Government imposed their business tax of 25 per cent on profits over a certain amount the manufacturer said: I am not going to worry myself or rustle around looking for help; I will simply pay my help more instead of giving it to the Government and I will get all the men I want. The result has been that men, not mechanics or tradesmen, but common labourers, have made as high as \$12 and \$15 a day. The farmer cannot get help to work his farm and the ordinary manufacturer cannot get help in his shop because he cannot pay these prices. The prices of all kinds of provisions have gone up as a result of the scarcity of labour. These men that are working in munition factories and earning \$10, \$12 and \$15 a day are not very apt to enlist at \$1.10 a day to go to the front. The man who gets \$10 or \$12 a day eats his meals in his own home and sleeps in his own bed. Can you expect him to drop that job, to enlist voluntarily at \$1.10 a day and sleep amidst the rats and mud of the trenches? That is what the Government ask him to do. The Government are responsible for the lack of enlistment in having disturbed the whole system and price of labour. The farmer, and the ordinary manufacturer, are hampered by the want of help. But the Government say that a young man should be patriotic enough to leave his job at \$10 or \$12 a day and go to the front for \$1.10 a day. If he does not do that he is not a patriot; he is a slacker. Let us see whether there are not other slackers. When the Minister of Finance floated his last loan, did he do what they did in the United States—go to the bankers and say: We want you to handle this loan free of charge and you