advice I gave last year, but whether my advice was the determining factor in raising the rates is a question I do not pretend to answer.

To sum up, we had been following an unsound taxation system for many years, and we broke away from it tardily and with reluctance. The following tables will, I think, be of interest as affording ready proof of the conditions I have set forth:—

| Percentage of Taxes in the | United Kingdom. | | United States. | | Canada. | |
|---|---|---|---|---|---|---|
| | On Property & income. | On consumption. | On Property & income. | On consumption. | On Property & income. | On consumption. |
| 1913-14.. .. .. .. .. | 48% | 52% | .... | .... | .... | 100% |
| 1914-15.. .. .. .. .. | 53% | 47% | .... | .... | .... | 100% |
| 1915-16.. .. .. .. .. | 56% | 44% | .... | .... | 1% | 99% |
| 1916-17.. .. .. .. .. | 74% | 36% | .... | .... | 8% | 92% |
| 1917 18.. .. .. .. .. | 81% | 19% | 17% | 83% | 11% | 89% |
| 1918-19.. .. .. .. .. | .... | .... | 80% | 20% | .... | .... |

The United States only came into the war in 1917, and I have only the figures for the last two years. It will be noted from the table that the United States turned right round in the course of a year. In 1917-18 they raised practically twenty per cent by income tax and eighty per cent by taxes on consumption, while in 1918-19 it was just the reverse, eighty per cent being raised by income tax and twenty per cent by taxes on consumption.

The next table which I desire to lay before the House—and I am sure on a hot summer afternoon like this it is weary work listening to these long lists of figures—

Some hon MEMBES: Hear, hear.

Mr. McMASTER: I do not blame hon. gentlemen for saying "Hear, hear," but I must do my duty, and you know, Mr. Speaker, that the fundamental duty of an Opposition is to point out the errors of the Government. The next table is the percentage of rates in the British, American and Canadian income taxes. I said a moment ago that we started our income tax at far too low rates. Listen to the comparison. We will take the rates of earned income of married persons, without dependents, on $3,000, $10,000 and $100,000:—

Americans under the law of 1918 on $3,000 pay $60.

Americans under the law of 1918 on $10,000, pay $830.

Americans under the law of 1918 on $100,000, pay $35,030.

British people on $3,000 (earned income), pay $356.25.

British people on $3,000 (income from investments), pay $445.31.

British people on $10,000 income, pay $2,250.

British people on $100,000 income, pay $47,-187.

Our income tax rate for 1918 for a married person without children figured out as follows:—

| Income. | Amount Payable. |
|---|---|
| $ 3,000.. .. .. .. .. .. .. | $ 20.00 |
| 10,000.. .. .. .. .. .. .. | 392.00 |
| 100,000.. .. .. .. .. .. .. | 17,607.00 |

[Mr. McMaster.]

Since then our proposed rates are higher. The proposed rates bring the income tax on a man earning $3,000 up to $40 instead of $20, and a man earning $10,000 up to $590 instead of $392; while it brings up to $31,190 the man whose income is $100,000. The Americans have slightly reduced their rate, so that the American and Canadian rates at the present time would be the same if this resolution carried. Let me same if this resolution carried.

Let me say a word to the Finance Minister in the plea for the man, and especially for the woman, whose income is between $1,000 and $2,000. The married man whose income is between $1,000 and $2,000 does not pay any tax, as it is not levied until the $2,000 figure is reached; but the poor unmarried clerk who earns between $1,000 and $2,000 and who has a widowed mother to support, has to pay an income tax, and so has the poor school teacher; and often the fact that a man is unmarried is because he has aged dependents to look after. Would it not be fair for the minister to interpret the word "dependent," in its application to men whose income is between $1,000 and $2,000, to mean not merely dependent children, but also dependent parents or collaterals in the ascending line? I think it would, and I leave to the kindness of heart of the minister a consideration of this important question—important not to the State, because the loss of revenue would be trifling, but very important to the individuals concerned.

Now, in Great Britain we find the same rise in the currency. Not only did the currency rise from $25 to $52.50 per capita of the population, but the deposits in banks enormously increased. Mr. Hartley Withers, whose little books on finance I would recommend to all members of this House for their clearness and the succinct way in which they are written, in his interesting book, "Our Money and the State," page 66, thus describes the way in which the currency in Great Britain has been inflated: