

and I challenge any honourable member, Mr. Speaker, to take that platform word by word and line by line and point out anything in it that is of a class character. Such a thing cannot be found within its four corners.

Mr. COCKSHUTT: Will my honourable friend allow me a question? Would he say that the new Government formed in the province of Ontario is fully representative of all classes of the people residing in that province?

Mr. CRERAR: I am discussing federal issues, Mr. Speaker. But let me answer my honourable friend in this way: The Government of Ontario, which contains, I believe, eight farmers and one lawyer, is just as representative of the people of Ontario as the Government that preceded it and which contained eight lawyers and one farmer.

Mr. CASGRAIN: There you have got your answer.

Mr. CRERAR: Mr. Speaker, the question has also been asked: Where will the revenue come from if we do away with the protective tariff? In that respect I have just this to say, that I am not at all sure that we would not get more revenue, for instance, out of woollen duties if they were on a basis of fifteen per cent than when they are on a basis of thirty per cent. But the Agrarians—and I thank my honourable friend from Brantford for coining that title for me—do not wish to sweep away the tariff at one fell blow as some people are trying to make out; that is not their policy. Broadly speaking, their policy is based on the principle that the implements and tools of production should be free and that the necessities of life should be made as free as possible, and in that regard they asked for a substantial all-round reduction in the customs tariff. A tariff on luxuries? Yes, keep it on and raise it higher, but I cannot see the exact wisdom of having certain classes of luxuries imported into this country as they are to-day at a lower rate of duty than that imposed on necessities of life such as cotton, boots and shoes. I would offer this suggestion to the Minister of Finance that he might well raise the tax on luxuries to 50 per cent if he likes; but when he does that, he should also impose an excise tax on the manufacturer in Canada of such luxuries.

But those who have been called the agrarians have certain concrete proposals in respect to revenue. We have the income tax, and the income tax has come to stay

in this country. I find from the statistics that for the years 1915 to 1918, the little country of New Zealand collected in income tax over \$55,000,000. The population of New Zealand, based on its census of 1916, is roughly 1,100,000. I would direct this to the attention of the Minister of Finance, that if Canada in the same period had collected income tax in the same proportion, we would have collected \$470,000,000, when as a matter of fact we collected nothing from income tax during those years, and only \$34,000,000 in business profits taxes. In other words, during that period, the little country of New Zealand with a population of about one-eighth of that of Canada collected over \$20,000,000 in income taxes and profits taxes more than Canada did. I would suggest this as a fertile field to explore in respect of securing revenue.

We are told that if we raise our income taxes, all the wealthy people, who enjoy large incomes will cross the border, and that consequently that source of income would be shut off from us. What do we find in the United States? In the year 1919, for instance, the United States collected in income and excess profits taxes over \$2,600,000,000. If Canada had collected at the same ratio according to population we would have collected over \$200,000,000. I know the difficulty of organizing a system of income taxation. But I will point this out, that in New Zealand and Australia these income taxes were, I believe, practically in all cases assessed after the outbreak of war. In these countries, British countries like our own, they have perfected their machinery at any rate to the point where they are getting vastly more for their revenue than we are in Canada. Moreover, Canada occupied a very favourable position. We know the orders we had for munitions; we know that our factories of every kind, after the outbreak of war and practically during the whole period of the war, were running day and night to fill the demand for goods to maintain the armies at the front. On the other hand, New Zealand and Australia, from the position they occupied in the world, from the shortage of shipping on the high seas were placed where they could sell practically nothing except the wool which they produced. Yet those countries, with smaller income than that which we enjoyed during the war, far outstripped us in the amount they contributed in income taxes. I believe that one of the mistakes we have made—and I do not wish to attribute blame in any particular direction in that regard—is this, that we have not