

form of taxation that people were not complaining loudly about. I wonder who is going to profit by this reduction in postage. Is it the poor man who writes a couple of letters a week, or is it the wealthy man or the business man who buys his postage by the hundreds or by the thousands of dollars? If this reduction is for the benefit of the wealthy, and it certainly is, someone somewhere must make up the deficit. Would it not have been wiser to have kept the postage, which people were not complaining about, as it was, and then use any surplus that might have accumulated to extend rural mail delivery to the outlying sections where farmers are denied that privilege to-day? There is nothing that does more to make life pleasant on the farm in isolated surroundings than the boon of rural mail delivery which enables the farmer to have his daily paper delivered at his door to keep himself and his family informed in regard to all the great questions of the day. Many parts of Canada are still suffering from lack of this convenience.

Mr. YOUNG (Saskatoon): Is the hon. member opposed to the reduction of postage?

Mr. STANSELL: I was stating my views very plainly. I know there are a few members in that corner of the House who are anxious to make records for themselves as champion questioners, but I do not see why I should assist them in that respect. I said that the reduction in postage was of the greatest benefit to the wealthy man and wealthy corporation, and was not of such great advantage to the poor man. I stand by that statement. I said that if the postage had been left as it was any surplus that accumulated might well have been used to extend rural mail delivery to the outlying sections which have not this privilege to-day, and any excess might be used to lower taxation in other directions.

These are some of the features that are supposed to make this a popular budget and "a poor man's budget". But as I have pointed out in not one instance can it be shown that it is favourable or beneficial to the poor man. On the other hand there are some distinct failures in the budget. For years past, as I stated in my introductory remarks, the farmers have suffered under a disability, and this applies particularly to the dairy and fruit farmers as I have them in my constituency; they have suffered from a lack of adequate protection. They have not had the measure of protection afforded them that has been accorded to other industries. Since the present government came into power it has taken away the greater part of the protection that these farmers enjoyed, particu-

larly by the negotiations of certain treaties. The results are already manifest, and will become more serious as the months go by. Supporters of the government argue that dairy products, eggs, fruit, vegetables, and so on are admitted to Canada when we do not have a surplus of these commodities ourselves, but that is not the real difficulty encountered. The difficulty consists in this: Because of an earlier season our farmer competitors on the other side of the line are enabled to take the cream of our market. That is they get the benefit of high prices, while the Canadian producer of fruits, vegetables, eggs, and dairy products, and so on, receives the low prices which rule when the market has been demoralized by the importation of products raised where earlier seasons prevail. How can you expect the farmers to be contented under such conditions? How can you expect men to invest money in farms in Ontario or elsewhere in Canada? They know that the government that taxes them for the privilege they enjoy is going to admit products of the kind referred to from another country exported by competitors who pay no taxes to this country and are free, or comparatively free, from payment of duty. That competition is unfair and unjust and should not be allowed to continue. But instead of providing a remedy the present government has actually made the situation worse.

Let me also say that if the government had been anxious to reduce annoying taxes they might very well have turned their attention to the tax now in force on notes and cheques. The tax on notes particularly is an unjust form of taxation. There are many farmers throughout the length and breadth of this country, many of them in the province of Ontario, who find it necessary to get assistance from the banks because they have insufficient capital. So far as my observation goes this assistance has been extended fairly freely and at a fair rate or at least not an excessive rate, of interest. But when a farmer thus situated, or for that matter a business man, secures an advance from the bank for a short time, he must plaster the note with stamps, and if he follows business methods and pays by cheque, the cheque also must be similarly plastered to the extent of two cents for every \$50. This is an annoying and exasperating form of taxation in the case of men of small means who are obliged to

5 p.m. conduct their business on borrowed capital. If the government were anxious to bring down a "poor man's budget" that is one matter to which they would have devoted their attention.