

ment may use those powers in connection with an insurance company, especially with insurance companies of this class, I have a right to resent being called a demagogue. I suppose there is no use bandying words. I might, I suppose, call the Minister of Trade and Commerce a "plutagogue." I do not know whether that is parliamentary or not; I think it would be, since I do not think the word is in the dictionary. But where do we get with that kind of thing?

I have hardly time to go into the details of the budget; this may possibly be done at a later stage. But as I see the matter, the budget on the whole will tend to retain for the wealthy their wealth, and at the expense of heavier taxation upon the poor. The Min-

ister of Finance decreases the income tax exemptions. He said:

It is felt that higher rates of taxation could not reasonably be imposed, bearing in mind not only the depleted incomes out of which the tax must be paid but also the fact that in some provinces the same incomes will be subjected to further levies for provincial and/or municipal purposes.

That is a very nice doctrine for those in receipt of large incomes, but may I point out that indirect taxes, like the tariff and the sales tax, repeat themselves over and over again; in fact, they pyramid themselves. Look for a moment at the income tax exemptions and the increases that have thus been made in the tax. Take the case of a married man with two dependent children. His tax at varying salaries, would be as follows:

Income—	1932 tax	1933 tax	Percentage increase
\$ 3,000	\$ 6	—
4,000	\$ 12	38	220
5,000	32	80	150
6,000	58	132	130
10,000 (including surtax)	275.10	462	70
20,000 (including surtax)	1,545.60	2,005.50	30

That is, in the case of a man with an income of \$20,000, under the new regulations, the tax is increased by 30 per cent, whereas in the case of a man receiving an income of only \$4,000 his tax is increased 220 per cent. I thought it was bad enough last year when the government proposed to make an equal cut on everybody, because whilst the cut might have been 10 per cent all around, actually it was not equal in its effects, because it is not so much the actual percentage or the actual amount taken, but what a man has left, and 10 per cent on the little man means a great deal more than 10 per cent on the big man, so far as his power to pay is concerned.

The ACTING SPEAKER (Mr. Geary): The hon. gentleman's time is up.

Mr. WOODSWORTH: But this is worse, because there is an increase in taxation in which the percentage decreases when it comes to the men of larger means.

Mr. SAMUEL GOBEIL (Compton): Mr. Speaker, I had not intended to participate in the budget debate this year, but as the budget deals largely with farm products, and coming as I do from a constituency largely composed of farmers, I felt it my duty to express to the government my appreciation of what has been done to further the interests of that class of our citizens. I do not wish to take up much time, and for that reason I shall not spend the usual time in paying compliments to the

hon. Minister of Finance (Mr. Rhodes) for the able manner in which he presented his budget.

This is not a political budget; it is a business man's budget. Taxes are never popular. In critical times such as those through which we are now passing revenues have to be found and consequently taxes must be imposed. But in this budget most of the taxes will fall on those who are best able to bear them.

The government deserve to be complimented for some of the measures they have brought down. First of all I would mention the stabilization of the pound for duty purposes at \$4.60. I am sure that this provision as applied to some of the exported products of the farm will prove of great benefit to producers of that class of goods and will do much to stimulate the farming industry in this country and have a beneficial effect on trade in general.

I shall not undertake to analyze all the various features of the budget, as I do not feel qualified to do so. I shall confine myself to agricultural questions, and I desire first to make a few remarks on the dairy industry, and more particularly on the present butter situation in Canada. Hon. members opposite, from their leader down to those who sit on the same row of benches that I myself occupy on this side of the house, are very much divided on many of the questions that come before this house, but there is one question