

The Dominion Government proposes that the provinces finance their share of the cost of health insurance by "a registration fee to be paid by or on behalf of every person, who has attained his sixteenth birthday and whose normal place of residence is in the province or area where benefits are provided....."(1) But any one who has had experience with the collection of a poll tax will understand the difficulty of collecting a registration fee which is not related to earning capacity, or to whether the registrant is employed, an old age pensioner, or a student without personal earning power.

The Dominion Minister of Health and Welfare, as well as certain Dominion officials, have also stated that the Dominion Government intends to finance its share of the cost of health insurance or old age pensions by a Social Security Tax levied on all incomes, without exemption. While the amount to be levied in this way was not definitely stated, nor was this special tax in fact mentioned in the printed "Proposals," the figure which has been mentioned in discussion is five per cent. This would be in addition to present income taxes and the registration fee or poll tax to be levied by the provinces. This would mean that if the provinces relinquished their personal income and corporation taxes and succession duties, the tax field left to them would be further crowded and confused by the Dominion Government introducing its special income levy. Moreover, it should be remembered that the remaining limited tax field left to the provinces includes revenue from the sale of alcoholic beverages and the gasoline tax, the revenue from both of which may decline by reason of factors over which the provinces exercise no control.

The subsidies the Dominion Government proposes to pay the provinces for surrendering their progressive direct taxes increase in accordance with gross national product per capita, but the provincial governments would not be able to keep informed regarding the numerous adjustments and changing estimates which are used in

(1) Proposals of the Government of Canada, P.32