

is the situation, a process of redistribution of wealth is going on that will in the course of time do some levelling.

With regard to the other and perhaps more important question as to whether the \$660 and \$1,200 limits are too low, all I can say is that in Great Britain a single man starts to pay at \$489.50, that is on the assumption that a pound is worth \$4.45, which is the official rate of exchange. He is living in a country where the cost of living is, I think, as high as it is here; it has certainly gone up a great deal more than it has here since the beginning of the war. The married man in Great Britain starts to pay at \$939.

With regard to the United States, the present law is \$750 for a single person and \$1,500 for a married person, which has been advocated here to-day. The treasury proposal for the new tax this year is \$600 for a single person and \$1,200 for a married person. The committee of ways and means has been considering the proper rates and exemptions and has recommended \$500 for the single person—

Mr. BLACKMORE: In the United States?

Mr. ILSLEY: Yes, in the United States; \$500 for a single person and \$1,200 for a married person. Therefore we are not out of line with other countries, and I do not think we are out of line with the necessities of the case. To raise the exemptions as requested would mean very large losses in revenue as compared with our present proposals. Those would be very important changes from the point of view of revenue. The level of \$660 and \$1,200 is an uncomfortable one, I admit; but this is an uncomfortable time, a time when sacrifices are asked for and expected and when sacrifices will be assumed. The main point I wanted to make was that we are not out of line. We are not nearly as low as Great Britain, and in the case of a single person we are not as low as the committee of ways and means has recommended in the United States, while in the case of a married person we are on the same level. There may be some changes in the form of taxes which make the comparison not strictly fair, I do not know; but what I have said is accurate, that they start to pay at that level in Great Britain, and will start to pay at that level in the United States.

Mrs. NIELSEN: I do not know about the United States, but I do know that in Great Britain they have a national health scheme. There, when people in the lower income brackets become ill through lack of essential foods or otherwise, they have a scheme which takes care of such people. In this country, however, we have nothing to take the place

of that system, and I cannot help feeling that a tremendous loss of time will be experienced by the people in these low income brackets, resulting from insufficient food, anxiety, lack of sufficient time for leisure and rest, and so on.

Mr. ILSLEY: The national health scheme in Great Britain is supported out of taxation which is in addition to the income tax. In other words, there is a special levy for the national health scheme, and therefore they are paying for the advantages of that scheme.

Mr. MacNICOL: In addition, it is contributory.

Mr. ILSLEY: Yes.

Mr. ROSS (Souris): I noticed in the press yesterday and again to-day several articles in which it was stated that the provisions with regard to compulsory savings and the income tax schedules might be amended. If the minister has those amendments in mind I wonder if he would not save a great deal of discussion by announcing them now. He said there would be an amendment with regard to officers in the armed services, and suggested that discussion on this matter be deferred until that amendment was introduced. If he has other amendments to offer I think he might announce them now, and I believe he would thereby save a great deal of time.

Mr. ILSLEY: I do not think we would save any time. I have no further amendments to resolution 1, part I, and as we come to the next resolutions, if I have amendments I will move them.

Mr. ROSS (Souris): My point was that on resolution 1, part I, there has been a great deal of discussion with reference to the other resolutions, particularly the general deductions.

Mr. ILSLEY: There should not be.

Mr. DIEFENBAKER: There are two or three representations I should like to make with regard to part I, and the first has to do with subsection 1 (c), in which certain changes have been made. Paragraph (c) as it appears in the resolution deals with "an individual, other than a married person, who maintains a self-contained domestic establishment," and so on. The changes are the insertion of the words "other than a married person" and the word "wholly". In other words, the paragraph deals with an individual who maintains a self-contained domestic establishment and who actually supports therein one or more individuals wholly dependent upon him. I am wondering why the paragraph was altered