

in ten of our population subscribed; in other words, computing five persons to a family, it would mean that in every other home throughout Canada there has lodged a bond of the Victory Loan. The average subscription for the second and third loans was \$6,000; that means there must have been a great many large subscribers and that the earlier loans must have been mainly taken up by the capitalists. But the average subscription to the victory loan was \$500, showing that there must have been tens of thousands of small subscribers in order to bring the average down to that figure. If we compare this record with that of the American loans I think we have cause for congratulation. The second great American Liberty Loan—we cannot speak of the third because it will not be completed until the end of this week—was for three billion dollars—twenty times our loan of \$150,000,000. One to twenty does not adequately represent the difference between the wealth of the United States and that of Canada. It should be far easier for the United States to raise three billions than it is for us to raise one hundred and fifty millions, and yet we find that while their loan was over-subscribed only 54 per cent, our loan was over-subscribed 180 per cent. One in eleven of their population subscribed to their loan, and one in ten to our loan. But lest we might be unduly conceited comparing ourselves with others on this same continent, we have only to cast our eyes across the seas and note what is being done in the Motherland when they appeal to their people to take up their borrowings. The British loan of 1917 had eight million buyers, a little better than one in six of the entire population, which means pretty nearly a bond for every home in England. The next time we float a loan in Canada we shall have the British standard to endeavour to measure up to.

Just here and now may I put in a word with respect to the next loan that Canada must float. She will need every ounce of strength she has to raise the money required. She will need the hearty co-operation of every member of this House in his own constituency to explain to his people the financial condition of Canada, to arrange for the widest possible publication of the needs of the case, and every man here should feel that this summer his duty lies in his own constituency to help in every conceivable way in making the next great loan that will be financed in Canada a great success.

We have been listening this afternoon to some new taxation proposals. Each successive budget since the war commenced has brought in new methods of taxation. In the new budget some of the present taxes have been increased and new ones have been added. The taxation that we have had in the last four years has in the main been just, based upon the principle of not reducing the productivity of Canadian enterprise, but it is not entirely without criticism, as I shall venture to suggest before I take my seat. We are now called upon to consent to greater taxation, and exercising the time honoured privilege ever since Magna Charta of a member of an assembly such as this, we shall one and all criticise these taxation proposals if we see fit. Our criticism of them and our counsel regarding them will, I think, be wiser if we briefly go over together the previous steps that have led up to these proposals, because knowing what has already been done we shall perhaps be more ready and willing to do what is necessary in the future.

War taxation is always heavier than other taxation and that for two reasons. Usually in war time there is greater prosperity, there is more money going from hand to hand, and also in war time there is a greater willingness on the part of the people to give, and give liberally, of their means when required for the defence of the State. Therefore, taxes which in peace time would be resented by our people are accepted willingly at this time, especially if they are satisfied that the burden is being distributed impartially.

When our first war Parliament met very little additional taxation was proposed. The war had only commenced and the Minister of Finance had had very little time to prepare for the raising of additional revenue. All that was done to bring in increased revenue was to make a few changes in the excise.

In the next war Parliament we found that the Minister of Finance had had time to carefully study the situation and he came into the House with thoroughly considered proposals designed to increase the public revenue. The War Appropriation Bill, brought down in February, 1915, called for \$100,000,000. The minister's estimate of the total requirements for the year, current and war, was \$285,000,000. The revenue in sight was \$135,000,000. So that in the second year of the war, the Minister of Finance looked forward to a deficit that had to be overcome of \$150,000,000. The measures that were resorted to to increase the rev-