

Reductions in Taxation

The reduction of the debt has also be accompanied by reductions in taxation. Up to 1925 it is true the paramount necessity of the Dominion was the balancing of its budget, and reductions in taxation did not greatly effect the total. Once the budget had been balanced, the situation was changed. During the last three budgets there have been large reductions of taxation officially estimated to have cost the Treasury of Canada:

1926	=	\$ 25,000,000
1927	=	\$ 27,000,000
1928	=	\$ 19,000,000

This makes a grand total of reduction in taxation amounting in three years time to \$71,000,000 per annum. In other words the people of Canada in the current fiscal year are paying at least \$71,000,000 less in taxes than they would have paid if the 1925 basis of taxation had remained unaltered to the present.

Such, in outline, have been the chief financial accomplishments of the last six years. Do they indicate extravagance, or economy and a reaction against extravagance? Surely the money markets of the world have already given the answer in the re-establishment of the Canadian dollar on an equality with the American, and the great improvement of our national credit.