

I suggest, all would have to contribute to the burden the State is called upon to pay. I desire to direct the attention of the Minister of Finance to a remark made in the House the other day, as follows:

The House is aware that liability to the Business Profits War Tax of 1916 and the amendment thereto of this year comes to an end on December 31 this year, and it is not the intention to renew that measure.

I do not know whether the intention is by implication to say that the Act we now have under consideration is to take the place of the Business Profits Tax, but I think it would be very objectionable if those making profits out of this war were to be relieved of the burden substantially great cast upon them by the Profits Tax. A man may be making just as large a profit if he makes a small percentage on a tremendous turnover that has resulted from a very excessive trade, owing to this war, as if he made a large percentage on a normal turnover on some business in which he was

enabled to make a profit owing

4 p.m. to the scarcity of the article. A

man is a profiteer who has taken advantage of the exigencies of the State to unduly increase his income, and I trust the Minister of Finance will keep this in view in any legislation that he may have in contemplation, or the annulling of any legislation that may have existed in regard to war profit taxes.

Sir THOMAS WHITE: Three questions have been taken up so far, all of which are important. With regard to the unmarried man and widows, or widowers without children, I think we might reasonably meet the suggestion of the hon. gentleman from North Grey, and make the amount \$1,500 instead of \$2,000. I would be prepared to move, in order to meet what I deem to be the view of the committee, that the words "two thousand" at the end of line 26 and the beginning of line 27, be struck out and that the words "fifteen hundred" be substituted therefor. While I still think it is a fact that many unmarried men have dependents upon them, and in fact have not married because they have such dependents, still, possibly, having regard to the average condition of the unmarried men, that change would not be objectionable. I do not know that there is any such discrimination in other Canadian legislation. There is a discrimination to the extent of a thousand dollars in the legislation of the United States against the unmarried man. So far as I know there is nothing of the kind in this country.

Mr. GRAHAM: There is in the provinces. I think, unless the statute has been changed, there was a greater exemption for married men given by municipalities than for single men.

Sir THOMAS WHITE: However, the matter is not of great importance, and if this is deemed reasonable I would move that the words "two thousand dollars" be made "fifteen hundred dollars." With regard to children, there is undoubtedly also the fact as to dependents, but I think that if \$3,000 could be regarded as a fair exemption in the case of the average man, if we put aside the question of dependents—because that would really necessitate an inquiry as I stated—it might be reasonable to provide that the exemption should be increased somewhat in case of those who have a family, say, of six children. I do not know whether that would meet the views of the committee or not, but we might discuss it later. If the committee think it would reasonably meet the situation to give an exemption of \$4,000 in the case of those who have six children or more, I think I would be prepared to consider that phase of it, and have an amendment drafted accordingly. I do not think we can deal so well with the case of dependents, because the principle is undoubtedly there. They have to be taken care of just like children. It might be fair to provide that if a man has six children his exemption should be \$4,000 instead of \$3,000.

Mr. A. K. MACLEAN: You might reduce the rate.

Sir THOMAS WHITE: I would very much rather reduce the exemption and keep the rate. The hon. gentleman from Kingston has referred to two or three other important matters. One is as to whether or not the rate is high enough, especially upon the larger incomes. In such experience as I have had with taxation—and it has been considerable—there is only one tax that I know of that is popular, and that is the tax that is on the other fellow. I have received hundreds of letters suggesting various forms of taxation since I have been minister, and in very few cases indeed has a suggestion been made of a mode of taxation which would immediately affect the writer. We are considering a serious measure of taxation at a serious time. I indicated when the measure was introduced that I had been guided by certain considerations which were regarded of importance in framing these provisions. In the first