

upon the dollar. I thought about a tax of that kind. I am speaking from memory, but I think four mills would have given about \$20,000,000 only.

Q. Some person quoted figures as coming from Mr. Crerar that a ten mill rate would raise \$80,000,000?—A. Well the Government would have to consider the expediency of such a tax. In the first place you have already a municipal tax on land. I do not know whether there are any provincial taxes direct upon the land, but it has always been represented to me by Provincial authorities with whom I have discussed the matter that a tax upon land should be essentially a municipal or provincial tax, because they are close to the land and have the administration of it and need the revenue. On the other hand I have always found on the part of Provincial Governments, an absolute reluctance to impose a land tax, for reasons which will be obvious to members of the Committee. I do not know whether the public of this country would sustain a tax of ten mills upon land or not. You gentlemen can come to a conclusion on that point as well as I can.

By Mr. Tweedie:

Q. I understood him to suggest a ten mill rate on the unearned increment?—A. Oh no.

Mr. MORPHY: He put it as a tax on unimproved land values.

The WITNESS: No, he would get no such thing. One feature of any tax, and I think especially of land tax, is that we are only going to be able to meet our national obligations by increasing the production of Canada, among other means by increasing immigration. I do not think any scheme of taxation in Canada should be seriously considered unless we have regard to the probable effect on immigration, and it is for the Government to consider what taxation they shall adopt with regard to land. We must get into this country men who will go on the land and increase our production, we must get as many of our own people who are not on the land now as we can to go on the land and we must induce immigration to come in here and continue the policy of taking up land, if we do not then we may have a rather serious condition in Canada in a few years from now.

By the Chairman:

Q. You have some knowledge of the conditions in Western Canada, particularly in connection with the urban communities. To what extent do you think they will be able to bear additional property taxes in towns like Moosejaw, Regina, Calgary, McLeod, and so on?—A. I am not prepared to express any opinion. As I have said the impression I got from members of the Provincial Governments was that these communities were very heavily taxed as it is and that there are enormous arrears of taxation and sales of land. But a great many people believe in land taxation, notwithstanding the fact that lands may be sold with the idea that it will tend to cheapen property and bring it into use. But it would have to be a general tax, not only upon farms, but in villages, towns and cities, and, therefore, would be in addition to the municipal tax, and in some cases to the provincial tax, and you would have to consider how far public opinion would sustain you in imposing it.

Might I just take a few minutes more Mr. Chairman, because I will not ask for any privilege, but I have been a member of the Government, I have had a good deal to do with these problems, so far as it has been necessary to deal with them, and I know it will be necessary to find a certain amount of money, and I shall be very glad if that can be done. But it seems to me that the attitude of the Government has been of a very generous character with regard to the matter of gratuity. I know I was desirous, and I think all the members of the Government were desirous that as far as pensions were concerned they should be placed upon as fair a basis as possible, that the disabled men should be well taken care of, and that every effort should be made by the Government to re-establish in civil life the man who went overseas. With regard to the gratuity when that matter came up, the amount being a very large one, naturally it