

when we were discussing the annual Budget speech of the Minister of Finance. I am, however, sure the country will welcome the proposal submitted to the committee this afternoon. The only criticism which hon. gentlemen, or the country generally, will make to the proposal will have relation to the details and not to the principle.

I wish to say just a word or two in reference to the details of the resolution, although it might be proper to reserve discussion of such details until the Bill is printed. The exemption in respect to unmarried men is 'oo high. We must realize—and if we do not it will be unfortunate for the country in the future—that we are rapidly piling up a tremendous national debt, which will tax to the limit the resources of this country and its people in the future.

We are enjoying commercial prosperity notwithstanding the war, and it seems to me that now is the time to impose upon the people of this country the utmost of taxation. According to the statement read by the Minister of Finance an unmarried man with an income of \$4,000 will pay a tax of \$80; with an income of \$5,000, a tax of \$120; with an income of \$7,000, \$220; with an income of \$10,000, \$400; with an income of \$12,000, \$580; with an income of \$15,000, \$850. I submit that this is certainly not an oppressive tax to impose upon an unmarried man or widower without dependent children. I think it is a very, very moderate tax, in fact, too moderate. I think an unmarried man with an income of \$4,000 should be obliged to pay more than \$80 taxation under this measure. I believe that the young men of this country enjoying a salary of that amount would be glad to pay a higher tax, at least during the war, and until there is a reconsideration of this taxation Bill. I do not intend to occupy the time of the hon. members now in discussing further this particular detail; I merely say that in my judgment the proposed rate of taxation in this respect is not sufficiently high. I also think that the exemption limit in the case of an unmarried man might be lower than \$2,000. I make this statement believing of course that after the war the question of income taxation will be reconsidered and modifications made to meet then existing conditions. It seems to me that an exemption of \$2,000 is quite substantial in the case of an unmarried man, and I think it could very well be reduced. I do not know exactly what are the provisions of the income taxation

[Mr. A. K. Maclean.]

measure now before the United States Congress, but as the Bill was introduced and as it stood on July 7th it provided for an exemption of \$1,000 in the case of single persons, and \$2,000 in the case of married persons and the heads of families. Those provisions were still in the Bill when it was reported to the Senate. The Bill, however, was re-committed to the Senate Finance Committee, this being necessitated by the addition of certain clauses providing for the prohibition of the manufacture of spirits which reduced the estimated revenues, and I do not know now how the legislation now stands.

There are many other features of the resolution which require consideration by the committee, but until they are before us in the form of a Bill I shall reserve discussion upon them. I should like to know what amount of revenue the Minister of Finance expects to receive from this income taxation.

Sir THOMAS WHITE: That is a very difficult question to answer. In fact, it is almost impossible to do more than guess at the amount, because we have never had a tax of this kind in Canada; but roughly speaking, we hope to get \$15,000,000 or \$20,000,000 a year at least.

Mr. A. K. MACLEAN: If the minister anticipates that amount of revenue, it justifies the statement I made a few moments ago that we should long ago have had federal income taxation in this country. My hon. friend always resisted the introduction of income taxation on the ground that it would bring in very little revenue. In fact, I think that on one occasion he said it would not bring in more than \$3,000,000 or \$4,000,000 a year at most. However, I am very glad indeed to learn that he anticipates a revenue of \$15,000,000 or \$20,000,000.

Sir THOMAS WHITE: That is merely an estimate. When I dealt before with the question of how much revenue we would obtain from an income tax in this country I always took into consideration the results of the American taxation, which was very much lower than this. Assuming that their population is thirteen times as large as ours, and that their wealth is from twenty to forty times as great, I thought that on the basis of their income tax, which for the reasons I have given I did not feel justified in exceeding, we would not obtain more than \$3,000,000 or \$4,000,000 a year. The new income taxation proposals in the United States, which have not yet been translated into legislation, provide for a