the soldier was placed in category "A" it always appeared to me to be only logical that if he was placed in a lower category during service or on discharge, such lower category should be accepted without question as being due to war service. But that is not always the case. So often you read the words on pension documents, "pre-enlistment condition not aggravated by service". I say to you honourable senators that they are the most hateful and distasteful words I know of to the veteran.

A brief reference is made in the Speech from the Throne to taxing statutes. I am sure that any reduction in the rates of income tax or any increase in the amount of the exemption will be most welcome to all Canadians.

Hon. Mr. Haig: Hear, hear.

Hon. Mr. White: I doubt if any honourable senator will agree that the present exemption is sufficient, especially in the case of children and more particularly with reference to children attending university. While no mention is made as to revising the Dominion Succession Duty Act, I for one hope that something will be done in this session to revise it. Revision of this act has been mentioned in the Speech from the Throne in previous sessions, but no action has been taken. In my opinion the present act should be revised in the light of economic conditions which have changed considerably since the act was introduced early in the war.

At the present time an estate up to $50,000 is exempt from succession duty tax, but if the estate exceeds $50,000 it is taxable in its entirety. I think that would appear to everyone to be most unfair. I feel that the exemption should be increased to at least $75,000 and that this amount should be exempt in any event.

Every honourable senator who is a member of the legal profession knows from his own knowledge and has seen from his personal experience in his law office many instances of the effect of income tax and succession duties on incomes under wills, trusts, pensions, lump sum payments and other similar payments received by a surviving dependant. Honourable senators who are lawyers are quite aware of the hardships created. One other matter in connection with succession duties is that of charitable bequests and charitable donations made within three years of the date of death, as well as unpaid subscriptions to charitable organizations. Many people feel that these should not be included in arriving at the value of an estate for the purpose of determining the initial rate of duty. In Ontario we used to have up to eighteen months to pay succession duties, but the period has now been reduced to six months. It is the same with respect to dominion succession duties. With the difficulties that arise today in the administration of an estate, I know that all honourable senators who are members of my profession will agree when I say that six months is a very short period. For instance, take an estate at the present time which might be holding large blocks of certain stock. What a loss it would be to such an estate if this stock had to be sold at the depressed market rate of stock today.

As one who comes from a farming community I was interested in the reference to farmers in the Speech from the Throne:

> In order to assure to the farmers of Canada a fair share of the national income, you will be asked to enact a measure to provide stability in the prices of their products. Every possible effort is now being made, and will continue to be made to seek new markets for agricultural products as well as to regain those that have been lost.

Farming is such an important industry in so many parts of Canada that any announcement or plan which will benefit the farming community will be of great interest throughout Canada. Everyone who is familiar with the farm picture will readily admit that for a long time the average Canadian farmer has not been receiving his fair share of the national income. All of us who were here during the war years can recall very easily the great contributions the farmers of Canada made to our war effort, when the production of food was greatly increased to meet the needs of the armed forces. The farmers of Canada increased production at a time when labour was very scarce and new machinery was almost impossible to obtain, and the prices of their products were frozen. Certainly, during the war years the farmers of Canada did not have a price tag on their loyalty. As I said earlier, their prices were set, while in industry the manufacturer always had a profit, often on a cost-plus basis. Since the war, the method of farming has changed on the average small Canadian farm. With new mechanized machinery the farmer has had to expend a large sum of money for new equipment. With the great expansion in industry labour has been attracted to the city, with higher pay, shorter working hours and all the other benefits that are not available to the agricultural worker. Today many farmers find themselves in the position that they must operate farms by themselves, with only the help available of their own family. Everything in connection with the operation of the farm has greatly increased in cost. The cost of machinery has increased, municipal taxes are much higher,