

on the basis of an ideal set of circumstances; we are faced with certain facts. The statement was made by President Grover Cleveland many years ago and often repeated in this house that what we have to face is a condition, not a theory. There is no doubt that taxes are distasteful to all of us; nobody likes the surgeon who comes to cut him up. In order, however, to keep our national life going, we must have taxes. I think in all the circumstances that this tax does not invade the provincial field too greatly, as has been suggested. It is a reasonable tax and one quite attunable to present conditions. I may have a word to say with respect to one or two details when we are discussing the bill in committee, but at this stage I merely wish to express my complete concurrence in the bill.

Mr. W. ROSS MACDONALD (Brantford City): Mr. Speaker, before we go into committee I should like to express briefly my views on this bill. I do not consider that this is an invasion of provincial rights. The fact that the dominion has not taken advantage of this form of taxation in the past does not mean that it did not have the right to do so. I find myself to some extent in accord with the points raised by the leader of the opposition (Mr. Hanson) with regard to the effect upon incentive. We are getting near to the point in connection with taxation where we shall discourage people who otherwise would bring advantages to this country through their energy. We are inspired to make efforts by two things: first, in order to help the state and mankind generally, but I am afraid that this is not always enough. There must be a certain amount of profit incentive, and if we take away all the profit we are likely to destroy that incentive.

Our forefathers came to this country from the lands beyond the seas because they felt that there were greater opportunities here, not only for themselves but for their children and their children's children. Those opportunities were here for them and for their children, and we must make sure that they will still be here for their children's children. They were hemmed in in the old land; they could not advance and improve their positions in the world.

Mr. MARTIN: That is not why they left.

Mr. MACDONALD (Brantford City): My hon. friend says that that is not why they left, but I suggest that that is one reason why many of our forefathers left the old land. They wanted to have greater opportunities for themselves, for their children and for their children's children. They did advance themselves; they brought much happiness to

themselves and to those who came after them. We must be energetic and full of enterprise, but if all profit is to be taken away I am just afraid we shall not have the same enterprise and enthusiasm. The hon. member for Lethbridge (Mr. Blackmore) has said that industry must be great and strong. I can go that far with him, but I cannot agree that the theories which he advances will make industry great and strong. I am afraid that they will have the opposite effect.

This bill is introduced for the purpose of raising money for this war.

Mr. HANSON (York-Sunbury): It is not confined to that.

Mr. MACDONALD (Brantford City): The leader of the opposition says it is not confined to that. We do not know. Only the future will tell. At the present time we need and must have money to obtain equipment of all kinds to supply our fighting forces.

Mr. JOHNSTON (Bow River): The minister does not agree with that.

Mr. MACDONALD (Brantford City): I am sure the minister will agree with that.

Mr. JACKMAN: I do not know.

Mr. MACDONALD (Brantford City): I am expressing my view, and I have found myself at most times in accord with the minister. We must have all the necessary supplies to defeat the enemy, and we must have the wherewithal to get those supplies. This is one of the means whereby we can get the money to purchase those supplies. I have not had one objection from my district against this tax or any other tax which has been put into effect by this budget. Everyone is in accord with the idea; raise the money—we are prepared to pay—give the troops what they need in order to win. If this tax is going to help in any way to do that—and I am sure it is—then I am in complete accord with it and with every tax which is imposed for that purpose.

My only warning, Mr. Speaker, is this. Let us not forget that this country has become great under the system which has been in effect here, where a person who works gets a reward and the reward is not all taken from him. I am confident that Canada can go forward in the future, after this war is over, only if we continue that system. Let the worker be worthy of his hire, and let us not take all his earnings from him.

Mr. G. H. CASTLEDEN (Yorkton): Mr. Speaker, I rise to support the principle of this bill—perhaps something unusual for me. So long, however, as the wealth and natural resources of this country can pass, as they do