

when I cannot. That is fundamental. We all believe that every man and woman ought to have the opportunity of working at a job under the best conditions possible, but those conditions are to some degree controlled by world markets. I am not opposed to unions; I think they are a good thing. In a committee room the other day an honourable gentleman from Calgary was addressing a union meeting. He said: "You people think you are good unionists, but I belong to the oldest union in the world, a union that nobody has been able to break yet." He was a lawyer. As a lawyer I too say that I belong to the closest union in the world. We lawyers are guided by the tariffs of fees established by our various organizations. So I am not opposed to unionism.

During this war and in the preceding years of peace the United States demonstrated to the world that through the use of inventions and machinery they could produce goods faster than anybody else, and still pay high wages. We in Canada have got to meet that situation.

Last, but not least, we face the question of taxation. I do not intend to get into a discussion with any supporter of the Government in this or in the other House as to what the Minister of Finance said during the general election. I understood him to say that if the Government were returned to power they would reduce taxes; and that is what the man and the woman on the street understood also. In all humility I would suggest that our taxes be reduced in such a way that the ordinary man and woman will be benefited. The reduction should start at the bottom, by way of increasing the exemptions for single and married persons. Then the 7 per cent defence tax should be abolished. It is really a nuisance tax.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. HAIG: The making of deductions at the source of the income involves a lot of figuring, and in many cases may mean only five or ten cents to the individual shareholder. But the fundamental thing is the personal income tax and, as I have said, the Minister of Finance should start at the bottom and increase the exemptions materially for both single and married persons. The experts in the Department may say that this would mean the loss of a lot of money; I believe that on the basis of the income tax paid last year they estimate it at \$1,200,000. Suppose the exemption for single persons is raised to \$1,000. Really \$1,000 is not very much to live on.

An Hon. SENATOR: In peacetime.

Hon. Mr. HAIG.

Hon. Mr. HAIG: It is not very much at any time. Suppose for a married person the exemption is raised to \$2,000. That, too, is not very much to live on. With those increased exemptions a good many of the smaller incomes would not be liable for income tax, and I do not think the Department would lose much by them. The Income Tax Branch in Winnipeg is very efficient, but the staff simply cannot catch up with their work by reason of the tremendous increase in the number of income tax returns in the lower income brackets.

Hon. Mr. BALLANTYNE: What about the excess profits tax?

Hon. Mr. HAIG: The excess profits should go to individual shareholders. At present they pay a double tax. It seems to me the easiest course would be for the Government to reduce the excess profits tax; then the profit would go to the individual shareholders in increased dividends and would appear in their income tax returns.

Hon. Mr. HARDY: What about the corporation income tax?

Hon. Mr. HAIG: I am not going into that now. I am only indicating the trend.

Hon. Mr. HARDY: It is a leader's business to go into it.

Hon. Mr. EULER: The corporation income tax is double taxation as well as the excess profits tax.

Hon. Mr. HAIG: The proper time to discuss this will be when the budget is brought down, and I may be giving Mr. Ilsley too much of a lead; but I want him to hear what some of us think should be done on the taxation question. If we wait until Mr. Ilsley brings down his budget, and then jump on him, we are not helping him much. He would say, "Why didn't you tell me before?" That is why I have brought up the question to-day.

Another problem that confronts us is the consideration that should be given the primary producers of this country in a long range policy. We have always considered our manufacturing industries. I do not object to that. I think if we want to live we have got to encourage our industries; but our primary producers also should receive some consideration. A long term policy should be worked out whereby the farmer, the fisherman, the lumberman, the miner—all these classes of primary producers, may have some guarantee for the future. Having been born and raised on a farm I am in a position to say that there is no gamble in the world to compare