

Sir WILFRID LAURIER: He has changed his mind since.

Mr. NICKLE: Therefore, he knows well of what he speaks. It may be that I approach this question from a different standpoint from that of the other members of this House. It may be surprising to some members on this side, that, as a Conservative, I am thoroughly enthusiastic over this measure being introduced in this House, because I have always felt that the indirect method of taxation, in a country such as Canada, had this unfortunate effect, that it made the people blind to the fact that it was their money that was being expended, and that a good many things were got away with in times past that never would have been permitted if the people had realized that they were to be directly called upon to meet the expenditures that had been made.

Mr. MICHAEL CLARK: Hear, hear.

Mr. NICKLE: And I think there is another side to the question. When you raise your entire revenue by taxation by customs charges, there is no question whatever that the man who has a small income, the expenditure of the entire amount being necessary to meet his living expenses, is more heavily taxed than the man who has more than he actually needs to live—

Sir WILFRID LAURIER: Hear, hear.

Mr. NICKLE—because the man who spends every dollar he earns to live pays taxes on every dollar he spends, whereas the man who has sufficient to put away a surplus for a rainy day escapes paying taxes on the surplus that he saves. Certainly that is unfair to the man who earns a small income; and in a country like Canada, most men earn small incomes. One Finance Minister wittily said that the function of a Finance Minister was “to gather the most feathers with the least squawking,” and I am afraid that principle has possibly influenced the Finance Minister in drafting this Bill. I approach the subject possibly more from the point of view of an evangelist than from a business man and tax collector. I believe that every man in this country should have some of the burden of this war thrust upon him, if I may use the word “thrust.” To vary the phraseology slightly, I believe that every man who can should bear some of the burden of this war, and I think the exemption of \$3,000 to the married man and

\$2,000 to the unmarried man is too large. I come from a small community, a city that has somewhere in the neighbourhood of 25,000 people. The great majority of the married men there do not earn \$3,000 a year; the great majority of the unmarried men do not earn \$2,000. When I was home last week I was told there were objectors to the exemptions because they wanted to pay a part of this tax, and felt they should. I was not surprised either, because the city from which I come sent many men to the war. The people there are enthusiastically in favour of conscription, and what they say to me is: If you are in favour of conscription, if you think that every man should go to the front who can go, then, to be consistent, you should support a lessening of the exemption, because those who cannot go and ought for national reasons to remain at home, should bear their share of the burden. I think they were right in saying this. For that reason I urge upon the Finance Minister that he lower the exemption in the case of married men to \$2,000, and in the case of unmarried men to \$1,000.

I direct the attention of the Minister of Finance to another aspect, and I am particularly immune from criticism because I have not within my riding a single farmer; I live within a purely urban district. The people in the cities who are earning from \$1,200 to \$2,000 a year are beginning to feel that the burden of taxation in this war is not fairly distributed. They have no way of increasing their revenue. I am speaking of people with fixed salaries or wages, not of the class who can increase their earnings owing to the increased demand for labour, the university Fellow, the university professor, the school teacher, the bookkeeper who earns \$1,500, and that class of man. He says: The increased cost of living since the war began is taking anywhere from 40 per cent to 100 per cent more from me than before the war; the reason I am called on to pay more now than before is that the cost of the commodities that I have to buy for the maintenance of my family is determined by the export price, and I am in competition in my buying with the world; the result is that I am—and I am not objecting to it, I recognize it as necessary because I believe that the exigencies of the case demand it—not as well off as I was. But why do you not put some tax on the farmer, who is getting many of the good things out of the war, but is getting off practically scot free; he buys but little, and therefore he is taxed slightly; the increased price of the products of his farm is bringing him a much greater