

INCOME TAX—1943 BUDGET—Concluded

	\$9,000			\$10,000		
	Single	Married	Married 2 dependents	Single	Married	Married 2 dependents
	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
1942—Tax before Budget.....	4,472 00	4,142 00	3,926 00	5,112 00	4,762 00	4,546 00
1942—Tax after Budget.....	2,236 00	2,071 00	1,963 00	2,556 00	2,381 00	2,273 00
Payment that would have been due in September, 1943, in final liquidation of 1942 tax.....	448 00	415 00	392 00	512 00	477 00	455 00
Payment that will have to be made in June, 1943, in final liquidation of 1942 tax.....	614 00	628 40	603 00	711 32	730 18	731 44

It is pointed out to the Canadian people that our income tax is the highest in the world, but it is sometimes forgotten that the period given the taxpayer within which to pay has been reduced more severely than it has been in any other country. The spirit of Canada does not permit of any challenge to its desire to go all out in every conceivable way in its war effort. This imposes a great responsibility upon the government, and perhaps the time has now been reached when the people should be taken more fully into the government's confidence with respect to the broad principles of public finance which the government has laid down for itself.

It is true, as the minister says, that we have more physical goods in Canada than they have in Great Britain, for example, but by the same token we eventually shall have less cash and government securities, less insurance protection, fewer owned homes, et cetera. This of course is accentuated when a comparison is made with the United States. The tougher the government makes it for the taxpayer, the more right the taxpayer has to ask that the government go to some pains to explain its long-term planning.

The British government has had a much wider and longer experience with income tax imposts, and it would scarcely seem that our government should exceed the limits which the British government have decided upon without at least explaining more fully than they have just why they are doing it. We are disposed to have confidence in the judgment of the British government. In fact, it would not seem unreasonable to take the stand that they know a little more about taxation principles and points of saturation than does Canada. The people of Canada are not averse to spending every last cent they can in the war effort; they are ready to save, to buy bonds, to pay their taxes and to act as good citizens. However, they want to feel that "the government needs the money" is just a slogan and is not the government's long-range fiscal policy in this regard.

When the hon. member for Rosedale (Mr. Jackman) first raised this question in the house and suggested the adoption of a plan, his suggestion received the approval of a large body of Canadian citizens. Let me make this observation. If this legislation had to come, it is unfortunate that it came at a time when incomes are so high. It would have worked out to much better advantage to the treasury of Canada if it had been put into effect some years ago. Many incomes will never again be as high as they were in 1942. Those with high incomes braced themselves without a murmur to pay the 1942 income tax. If they had high incomes, they must have had capital assets from which they received income apart from their earnings as wage-earners. I am of the opinion that they were ready to liquidate those capital assets and pour them into the revenues of Canada as a contribution, not only by way of high income tax but as a contribution to the war effort. But there are others in the same groups who are not so prone to take a serious view of Canada's position. They are not so ready to help out. Perhaps they are anxious to help, but they do not stop to think of the entire situation. I am going to say a word to them.

I have not much sympathy, particularly in war time, with that class of people known as globe-trotters, non-producers and holiday makers, those who are able to spend the winter months in Florida or California. If they are able to do this, they are able to pay heavy income taxes. With the war on, some means ought to be found to force the wealthy and healthy non-producer idler into production. For those in poor health who must have a change of climate I recommend the Laurentian hills of Quebec, the maritime climate of southern British Columbia and the northern highlands of Ontario.

I come now to another matter of ways and means which has not been enlarged on in this budget and which should receive some attention, namely, succession duties. Last year, as reported on page 5296 of *Hansard*, I said