

The Address—Mr. Castleden

they had proper town planning. They moved into those homes and had to pay a rental of \$13 per month, which covered not only the rent for the building but insurance, taxes, water and light and protection. It gave them good homes. Within a period of twenty years, by working through this co-operative organization, they will have sufficient money to pay for those homes out of that rental.

Those were families that appreciated such homes. For generations they had been compelled to pay \$16 and more per month for company houses without proper sanitation or conveniences and they never owned them. But their families had been forced to live in them because they could not afford to build their own homes. I went from that project across to Sydney Mines and I saw people living in houses that had been long condemned. Such a project as that is one of the best ways to develop good citizens and good Canadians. Similar projects should be made available to all the people of Canada. We must make such houses available.

People in the west resent order-in-council government. They want this government to know that order-in-council government is abhorrent to them because they believe it is contrary to some of the fundamental and basic principles of democracy. They resent the discrimination in freight rates which this government failed to wipe out when they granted the increase to the railway companies. But there is one thing which has struck them hard in recent years. In the years before, these people had never experienced the necessity of paying income tax. Since the war, when they had some prosperity and became taxable, they were not even told that they were supposed to pay income tax. I do not think they are protesting so much against the payment of the tax as they are against the methods of collection used by the representatives of this government.

They protest strongly against some of the actions and methods of the tax collectors sent out as representatives of the federal government. It is the method they object to, because they appreciate that the income tax is one of our fairest taxes if it is imposed in a proper way, since it taxes those in the higher-income brackets. If you wiped out the inequalities and the injustices I do not think you would have much complaint; but as long as you continue in the course that has been followed for the past three or four years you will have continued complaints from these people.

I should like to read a copy of a resolution which was sent by the Yorkton and district board of trade to the Minister of Finance (Mr. Abbott). I am going to read this because

[Mr. Castleden.]

it represents the opinion of the people in that area and gives an accurate idea of what they are thinking. I understand that similar protests have come in from all over Canada and it is hoped that they will have some effect upon the government. I am reading this now because I have no doubt the Minister of Finance will be preparing his budget and it would be well for him to know what the people are thinking. At any rate, we can register our protests and wait for the budget to find out whether they are heeded. The resolution addressed to the Minister of Finance (Mr. Abbott) reads:

Representing as we do, a cross-section of Canadian citizens, labourers, wage earners, salaried men, professional men, farmers, business executives and business owners, we feel that the facts expressed herein are applicable to the great majority of Canadians.

We submit that:

1. Canada is the richest nation in the world in per capita natural resources and productive ability, but her citizens are condemned to a lifetime of mediocrity through our present income tax laws. The normal savings of our people are being taken for income tax.

2. The natural inclination of Canadians is to save and to accumulate property and wealth. Income tax laws have nullified this desire.

3. Canadians are a thrifty and industrious people. Our income tax laws have killed their incentive. The tendency today is to do less, for example—

Our labourers and wage earners will not work overtime or to maximum efficiency. Overtime work usually results in less than regular take-home pay and the tendency of workers is to work down to a minimum standard.

Our business men do not expand. There is no incentive and little opportunity to grow.

Our professional men do less than they are capable of, take plenty of holidays and hire extra staff. Again no incentive to do their best.

Our farmers are on strike—literally, and disastrously. This year we have a butter and milk shortage, next year it could be a butter, milk, beef, pork, egg and poultry shortage. Thousands of our best mixed farmers have gone out of livestock. Why—simply because they will not work overtime to produce food to pay too high income taxes.

4. We, the people, are in real danger of losing our freedom through the workings of income tax laws. An army of inspectors, instructed that everyone is evading taxation, are becoming increasingly automatic and the trend is to bring everyone down to one common level. We are too tax conscious; every business move, change or sale is influenced and flavoured by the extent to which income tax will affect the deal, or how the tax may be evaded.

5. An additional expense borne by the taxpayer is the toll taken by the large number of auditors and so-called tax experts who are necessary to the average citizen in the compilation of his returns.

6. We consider that the net result of all the above is an intolerable situation which must be remedied.

We therefore resolve that our government be urged to grant a reasonable reduction on personal income tax at this session of parliament, giving particular thought to granting special concessions and exemptions to small businesses in order that they may expand in a normal way. We also ask that special consideration and exemptions be given