

Hon. Mr. BOSTOCK: I beg the honourable gentleman's pardon. I know I paid an income tax in 1917.

Hon. Mr. DONNELLY: Based on 1917.

Hon. Mr. BOSTOCK: Based on 1917.

Hon. Mr. FOWLER: It was paid in 1918, for 1917.

Hon. Mr. SCHAFFNER: In 1918 the revenue from customs and excise was \$170,568,000; from business profits \$21,271,000; and the amount of income taxes is not stated here.

In 1919 we paid \$189,000,000 in customs, \$33,000,000 in business tax, \$9,349,000 in income tax.

Hon. Mr. CASGRAIN: Only \$9,000,000?

Hon. Mr. SCHAFFNER: That would be for 1918, I presume.

There is another argument brought up by the Government. At least I have heard it brought up by Sir Thomas White, a gentleman for whom I have great respect, and whom everybody recognizes as a first-class business man, a man of great ability. As any person who has sat in the House of Commons knows, Sir Thomas White had not much faith in introducing the income tax. It was pretty difficult to get him to introduce it at all, for he always used the argument that the cost of administration would be nearly as much as the revenue received from it. That does not seem to have been the case in the United States, Australia or New Zealand. Australia did not adopt the income tax until 1915 or 1916; so it was nearly as new to them as to us. New Zealand and the United States had an income tax for a long while, and there had been an income tax in Great Britain for a great many years. If you speak to financiers to-day about our revenue from income tax, they say: "Oh, it is a new thing. It will take time to get it established." I recognize that, but I think we have been altogether too slow in getting after those who owe the tax, and in collecting it.

During the first years of the operation of the income tax in Australia, the Commonwealth collected a total of nearly £4,000,000 or \$19,000,000. The second year a total of \$28,000,000 was collected. In the third year, this tax brought to the treasury a total of nearly \$37,000,000. In the three years the total collected by the Commonwealth in income taxes was \$84,701,000. The population of Australia according to the census of 1917, was 4,935,311, including

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aborigines, or about five-eighths that of Canada. In the three years Canada, on the basis of her population and in proportion to Australia's proceeds, should have collected \$135,522,000. As a matter of fact she collected nothing at all on incomes during those three years, and only \$33,777,000 in business profits taxes, or \$50,000,000 less than Australia, with only five-eighths of the population, collected in income taxes. Australia's first war profits tax was collected in 1917, and netted \$3,400,000. So much for Australia and New Zealand. Human nature is very much the same the world over. If a certain thing can be done in New Zealand or Australia, while perhaps we cannot do exactly as they have done, there is no reason why we cannot do very nearly the same.

Hon. Mr. BENNETT: Did they publish the lists in New Zealand?

Hon. Mr. SCHAFFNER: Does the hon. gentleman mean, did they publish the name of every man who paid the tax? I could not tell him that. That should be done.

Hon. Mr. DENNIS: Can the honourable gentleman tell us upon what basis the tax was collected?

Hon. Mr. SCHAFFNER: I cannot. I have simply taken the figures showing what they raised.

A further comparison in the tapping of wealth and the adoption of direct taxation may be gathered from the United States revenue figures. In 1915 corporation and individual incomes contributed only about \$80,000,000 to the Treasury. In 1919 they contributed over two and a half billions.

Hon. Mr. DENNIS: That is something new that was introduced?

Hon. Mr. SCHAFFNER: I suppose so.

Hon. Mr. FOWLER: Income tax?

Hon. Mr. SCHAFFNER: Yes.

Hon. Mr. FOWLER: I do not believe it.

Hon. Mr. DENNIS: I should like to ask the honourable gentleman if the increases of the income tax in Canada has not been upon as great a ratio as the increase in the United States?

Hon. Mr. SCHAFFNER: If these figures are correct, I would think not.

Hon. Mr. GORDON: Does the honourable gentleman know if money contributed to the Red Cross, and other things of that de-