

taxes were estimated to net \$426 million, or roughly equivalent amounts of money. Excise taxes, sales taxes and the like for the most part are levied on the purchases of necessities of the people of modest incomes. The excess profits tax is levied on the surplus excess charges of huge corporations. It is forecast that the excess profits tax is to be reduced and cancelled next year. As a matter of fact it is going to take another form, I believe, but there is no hint that there will be a reduction of the eight per cent sales tax on the necessities of the average individual.

Mr. MITCHELL: What about the two per cent tax in Saskatchewan?

Mr. PROBE: Yes, and may I say to the Minister of Labour that poor as that province is compared with many parts of this country, that two per cent tax is coming off many commodities on October 31 of this year, and there is no election in sight. At the same time may I tell the minister that we are increasing the social services in our province, and we are not demanding that these be paid for by the small wage earner to the exclusion of the wealthier corporations.

I should like to leave with the Minister of Finance a constructive suggestion. I realize that he will be restricted in his point of view. I do not want to speak as the hon. member for Muskoka-Ontario spoke, who, as I recall it, revelled in the good old seventeenth century days. He spoke of the days of Puritan England, the days of good free trade and free enterprise. In his mind at least, he painted a glowing picture of seagoing vessels loaded to the gunwales with profit-bearing goods, with perhaps missionaries on top of them, going to the natives in distant lands to bring profit to the entrepreneur. That was his picture. In my mental picture of that period in the history of the old land, however, all I could see was the slave who was brought back, the factory set up in smoky surroundings with hovels on every side, and children working day and night to maintain the position of the industrialist. Yes; capitalism has two sides. To the man who has power and is ruthless, it spells fortune, whatever that is. All the rest of us can see in it is misery.

After all, corporations are simply collections of business men who still get their wages, shall we say, for the jobs they do; and whatever their workers get for the goods they produce simply swells the total of what that business group's enterprise gains from their work. Instead of removing the excess profits tax, would it not be better to say to these

[Mr. Probe.]

business men, "Let us look at this thing nationally; let us take the amount you now begrudge paying to the government of Canada by way of excess profits tax, and let us put it into specific ventures. Let us start out by using that money as a revolving fund for housing. Let us put half a billion dollars a year for a number of years into the construction of homes for the people of Canada." That is roughly the amount brought in by the excess profits tax last year. Then, when we have enough homes for our people—

Mr. SPEAKER: Order. I am sorry to interrupt the hon. member, but he has spoken for more than forty minutes.

Some hon. MEMBERS: Go on.

Some hon. MEMBERS: No.

Mr. PROBE: When we have built enough homes in this land—

Mr. SPEAKER: Has the hon. member the unanimous consent of the house?

Some hon. MEMBERS: Yes.

Some hon. MEMBERS: No.

Some hon. MEMBERS: Two minutes.

Mr. PROBE: —we can switch to social services of other kinds. We can go to highway construction; we can go to the reforestation programme mentioned a few moments ago by the hon. member for Nanaimo (Mr. Pearkes). Let us be realistic, not in terms of cash but in terms of human welfare.

Mr. R. W. MAYHEW (Victoria, B.C.): Mr. Speaker, first I should like to refer to a statement made by the hon. member for Nanaimo (Mr. Pearkes), who said the government was proposing double taxation on logging and mining. That statement was contradicted at once by the Minister of Finance (Mr. Ilesley), but I should like to read what was said in the budget speech of June 27, at page 2910 of *Hansard*:

An agreeing province would undertake to levy a five per cent tax on net corporate income within the province and would also agree on behalf of itself and its municipalities to impose no other corporation tax or tax on corporations except corporations engaged in mining or logging operations.

This means that the provinces are now collecting a stumpage tax from the logging companies and royalties from the mining companies. These two taxes remain as they have always been, but are now allowed as an expense. No change whatever is proposed in the taxation as outlined by the minister