would have been very much fairer had he raised the exemption rather than reduced the total amount to be paid. Under the present system a person having a taxable income of $4,000 will receive a rebate of $2 under the reductions that go into effect this year, but a man having a taxable income of $25,000 will receive under this reduction a rebate of $253.

The Financial Post, a paper that might be assumed to represent and speak for those who have large incomes has this to say in an editorial in its issue of February 10 last:

The campaign for the abolition of the income tax may do more harm than good. This campaign is being chiefly pushed by an organization styling itself the Retail Trade Bureau of Canada, a dissentient offshoot from the larger Retail Merchants' Association of Canada. The bureau has won a good deal of publicity for itself by conducting this campaign with considerable vigour and persistency. It has won over a number of influential people and, of course, has the hearty encouragement of every one who believes that a nation can be run without taxes.

The income tax became part of our tax system during the war, and is to that extent a war measure. Some day when Canada has practically recovered from the financial after-effects of the war it may be possible to drop the income tax entirely. But although the war is over, we are still paying for it directly in annual payments of $125,000,000 a year for interest on war debt and for pensions and indirectly in other governmental expenditures.

Then I turn to the Financial Times, another paper representing the same viewpoint, a paper that might reasonably be expected to applaud the announcement of the minister that he proposed to wipe out this tax. The Financial Times takes a very strong stand against that proposal. It says that this tax is wholly suitable to Canada because it is capable of being graduated in accordance with the tax-paying power of the payer, and then it goes on in a lengthy article to attack very strongly the policy of the minister in leaving this field to the provinces.

The present Minister of Immigration, the hon. member for Brandon (Mr. Forke), speaking in the city of Winnipeg on September 17, 1925, had the following to say, according to the Manitoba Free Press:

The retention of the income tax without reduction, until the proposed fiscal reforms have been established and the revenue requirements have been reduced to the lowest figure possible, is imperative.

Again, I find a despatch in the Regina Leader from Fenton, Manitoba, dated October 2, 1925, which says:

Mr. Robb, the Minister of Finance, has announced that if the government is returned, he will reduce the income tax. "I am not in favour of it," said Robert Forke, Progressive leader here Thursday night. "It is the simplest tax and is paid by those who can afford it. It is much fairer than a customs tax."

I wonder if the minister's voice was heard in loud and angry protest in the cabinet council when these proposals were being considered. It would be rather interesting to know, because I have so much respect for the minister that I can hardly think he has allowed his viewpoint to become changed by —shall I say?—the sweets of office. I hate to think that he has changed his opinion. I would rather think that he protested, and protested vigorously, to his colleagues against this reduction.

But I have someone else to quote, someone who had very much more influence within the cabinet than the Minister of Immigration, and that is the Prime Minister himself. Speaking at Yorkton, Saskatchewan, on November 8, 1920, he is quoted as saying:

There is no doubt where the Liberal party stands on the tariff.

I quite agree with that statement; there is no doubt about it to-day. But let me quote the Prime Minister further:

Taxes have to be raised, but it is not necessary to do it all by direct taxation. I would tax incomes, business profits and luxuries.

Then listen to this gem:

All could be raised in that way.

Here you have the Prime Minister, the leader of the government, when he was appealing to the people of western Canada for support, assuring them that if he got into power he would tax incomes, business profits and luxuries, and that all the revenue could be raised in that way. But when we come to examine the figures we find that this government is collecting a very much smaller proportion of its revenue from the income tax than the late Conservative government did. I will quote a few figures to prove my statement. I am taking the year 1921-22 as the last year of the Conservative administration, for although the Liberal party were in power during the last half of that fiscal year, yet the taxation policy was that set by the Conservative budget. The tax collections for that year were as follows:

Income tax and business profits tax	$101,500,000
Excise and sales tax..	110,411,000
Customs duties..	105,500,000
Total..	$317,411,000

The important thing to remember is that in that year only 33 per cent of the total revenue from taxation was collected through