

pendents. I do not mean to say that in all cases they would sustain their claim under a legal inquiry, but for all practical purposes they would claim exemption on the ground of having dependents. You would have to deal with the claims of the man who had two children and one dependent and with that of the man who had one child and two dependents and it would give you a great deal of trouble in the administration of the Act. I am quite willing to take this matter into consideration because the views with regard to it have been put forward very fairly and are entitled to weight. But, I think that when we made an exemption of \$3,000 we avoided cases of hardship, even in cases of comparatively large families. With regard to those families in the province of Quebec who have been spoken of, where there are ten or twelve members, you also have to remember that there is the exemption of \$3,000. There is another feature that must be borne in mind in connection with this exemption, and it is that incomes in this country may be subject to three sets of taxes. First, you have the federal tax which is about double, up to \$6,000, the average municipal tax; second the provincial tax and, third, the municipal tax. If the provinces and municipalities do their duty in the matter of the administration of assessments covering income, the citizens of this country will be fairly heavily taxed. First, there is the municipal tax averaging two or three per cent; second, there is the provincial tax which may be one, two or three per cent, and on top of that there is this tax of four per cent. Do not let us jump to the conclusion that the citizens of this country will go untaxed because there are three sets of taxes which will constitute a very fair charge upon their incomes.

Mr. ROBB: Listening to the objections of the Minister of Finance the question occurred to me whether he had looked into the income tax law of the state of Massachusetts which was passed last year. There is perhaps no state on this continent where education is so free as in the state of Massachusetts; yet, in passing their income tax Bill, the state of Massachusetts recognized that a man bringing up a young family was entitled to a certain exemption. I have not the Act before me but my recollection is that provision is made for an exemption for the parent of a family bringing up three or four children of school age. It would seem to me that the minister might very well take into consideration

[Sir Thomas White.]

children of the school age and make a certain exemption for a man with a family whose children are yet at school.

Mr. MIDDLEBRO: Assuming that \$3,000 is the proper exemption for a married man with a family and a household to keep, my chief objection is that the unmarried man has too much exemption. Take the case of an unmarried man who is living in a hotel. He is entitled to an exemption of \$2,000. He gets married and he and his wife live in the same hotel and it costs him twice as much before. Yet, in that case, he only gets an exemption of \$3,000. If he takes up a house and has a family he will have more than double the expense that he had before and as his family increases his expenses will increase. I do think that the unmarried man is being shown an undue preference assuming that \$3,000 is the proper amount for exemption of the married man. I would certainly think that we should reduce the exemption of the unmarried man to \$1,500 to put him on a fair and equitable basis with the married man. The man who can go around unmarried with \$162 a month coming in, who is not required to contribute anything to this war is, in my opinion, escaping too lightly. I quite realize the soundness of the argument of the Minister of Finance that there are some cases in which a married man has dependents but it is the exception rather than the rule and we are legislating for the rule and not for the exception. There may in some cases be an injustice but I venture to say that for every unmarried man who has dependents there are twenty-five or thirty who have not, and, as I say, we must legislate for the rule and not for the exception. For that reason, it would be dealing more justly with the married man with a large family if we cut down the exemption of the unmarried man. In that way you will get at the unmarried man, you are giving to the married man a certain measure of justice and on the whole the tax collected will be more. I move that the amount of the exemption to unmarried men be cut from \$2,000 to \$1,500.

Mr. NICKLE: The Minister of Finance might very well pay heed to what the last speaker has said in reference to the allowance to the unmarried man of \$2,000 being too great because there is no man in this House who can speak with greater authority as to the responsibilities of the unmarried man than the hon. member for North Grey (Mr. Middlebro). He was for several years in that class.