

tax is passed on to the consumer, they will have to charge four and three-quarter cents for these two boxes. I have never seen a retail merchant do business in that way, and I do not expect that he will. I do not expect that the cut in the excise tax on matches will make any difference to the consumer at all. I am not sure whether the manufacturer or the retailer will get the money. The federal treasury will lose it - if that we may be sure - the consumer will lose it; and therefore, I am not enthusiastic in reference to the twenty-five per cent cut in the excise tax. I was reading in the Calgary Alberton to-day that the tax brought in last year produced a revenue of \$2,403,924, and it will bring in one-quarter less next year.

The reduction in sales tax will be welcomed but again there is little likelihood of the consumer getting the full benefit. I think all of us are glad of the removal of the excise tax on overdrafts. I approved of that reduction and do not mind saying so. To me it seems stupid to tax people who are in debt and unable to pay, and since I have been there I understand it very well.

Then we come to the income tax. There I must differ with the Minister of Finance. I believe that the income tax should be based on the ability to pay. That is a sound principle and I think it should be maintained. I never felt a bit badly about paying an income tax. I was thoroughly glad that I had an income on which to pay the tax, and there are so many people in Canada who have not an income on which they can pay a tax that I believe those who have incomes should pay income tax. I think I am right in saying that a man having a family of four children is entitled to an exemption up to \$5000. He would have to be receiving \$6,000 before he would have to pay a tax, and if a man is receiving \$6,000 I see no excuse for not paying the tax. If the government could have found a way to plug leaks and get the higher up people, those with large incomes, to pay the income tax, it would be a much wiser step than the one they have taken, because inasmuch as we do not raise the revenue from direct taxation we will have to raise it from indirect taxation. In looking for the government when I come to this question of the tariff I find that I cannot see any of them; there are many big men there, but they are all hidden behind the tariff board. I recall that when the Canadian Council of Agriculture was asking for a tariff board the object of it was to have a method of preventing people from obtaining a higher tariff, or establishing tariff for the first time, until they had proved to the tariff board that there was an absolute necessity for the imposition of duty or the raising of the tariff. That, I think everybody in the House will agree, was the object of the tariff board, but it seems to me - I believe that most of the members on the government side will agree - that the tariff board is used as an excuse for the stagnation of the government in regard to this matter.