

On this basis, therefore, had prices been allowed to rise in 1942 as in 1917, the public might have paid out an additional \$350 million during 1942.

Should prices remain stabilized through 1943, instead of continuing upward as they did through 1918, an additional saving of \$850 million might accrue to consumers this year.

There are, of course, enormous indirect benefits from the ceiling, including savings to the government. These are difficult to measure, but I am satisfied that without effective price control, government expenditures would be much higher than they are now and it would be practically impossible to finance them on a sound basis.

It is true that the earnings and incomes of some persons increase during a period of inflation—enabling them to obtain a larger proportion of the limited supply of goods and services available for consumption. But it is equally true that the incomes of other persons do not rise proportionately to the increase in prices, and as living costs rise they are forced to do without more and more. I think it is fair to say, therefore, that the vast sums saved by the consuming public and by the government by reason of the price ceiling are a significant measure of the dislocation which has been avoided.

Control of prices is only one side of the work of the wartime prices and trade board. Equally important is the responsibility of the board for supply and distribution of civilian goods. Quite naturally, public attention is focused on the more obvious aspects of the board's work in these fields such as consumer rationing. A great deal of constructive work goes on, however, of which the public is hardly aware, and I would direct the attention of hon. members in particular to those sections of the report of the board that deal with the programmes of rationalization and simplification and with distribution, allocation and rationing. It is not just by chance that the housewife is able to continue shopping as usual in her neighbourhood store or that the corner grocery shop is able to get a fair share of supplies in competition with the powerful chain or departmental stores. These are the results of careful methods of distribution and allocation, arranged by the board in cooperation with the trade.

Before leaving this subject, may I say a few words regarding the general civilian supply situation.

Mr. HANSON (York-Sunbury): Before the minister leaves this matter dealing with the retail stores, do I understand him to say that

the retail store, the small retailer, vis-a-vis the big departmental stores, is getting a fair share of consumer goods for sale?

Mr. ILSLEY: Yes.

Mr. HANSON (York-Sunbury): Well, I do not believe it. I will tell the minister frankly that is not the evidence I get. That is a statement made by the wartime prices and trade board, and I should like to have it supported with evidence.

Mr. ILSLEY: The hon. member has made a fairly broad statement, too. Perhaps he should support it with evidence.

Mr. HANSON (York-Sunbury): I have made it my business to find out.

Mr. ILSLEY: Before leaving this subject may I say a few words regarding the general supply situation?

So preoccupied have we become by the problems of distributing scarce goods that there is a tendency, I am afraid, to overlook the fact that levels of consumption in Canada have so far been well maintained on the average, and that the consumption of many common items is actually considerably larger than in pre-war years. The record of retail sales reveals that the volume of civilian consumption, generally speaking, rose steadily from the outbreak of war until the latter part of 1942. Towards the end of 1942 the rate of buying tended to fall off, indicating that the expansion is over and contraction has begun, but I think it may fairly be said that consumption levels in general still compare favourably with the period before the outbreak of war or the early months of war.

The fact that consumption standards have been fairly well maintained to date is remarkable considering the enormous contributions Canada has made to the cause of the united nations in the form of men, munitions, raw materials and foods. True, some of this consumption has been possible because inventories have been depleted to some extent and will not be replaced until after the war, but credit for maintaining our average living standards can be given in large part to the magnificent way in which the people of this country, on the farms and in the factories, the forests and the mines have organized their productive efforts.

There has, of course, been an important enlargement and a desirable redistribution of consumer purchasing power, those whose previous standards of living were relatively low gaining at the expense of those whose previous standards of living were relatively high. This accounts for many of the difficulties that consumers are experiencing in obtaining supplies.