

I referred to this matter of control as early as 1942, complimenting the government, because I felt that it would serve the purpose intended, namely to keep prices down. I should like briefly to put on record my remarks at that time, as reported in *Hansard* of July 2, 1942, at page 3893:

I should like to refer briefly to the price ceiling brought into effect by the government, the wage-freezing order and the instalment buying regulations. These regulations for the ordinary storekeeper doing that kind of business were a godsend, and I believe they were a blessing in disguise also to great numbers of people who were subject to high-pressure salesmanship which had been spreading throughout the country. The credit regulations, whereby purchases made in one month had to be paid for the next month, were also beneficial both for the store and its customers. All these regulations have, I believe, made it possible for the businessman or storekeeper to carry on and meet his obligations under this budget.

I may have something to add in this connection when we are dealing with the resolutions in committee.

I have in mind to suggest two or three changes. One deals with the tax as affecting retailers; one, with the tax on soft drinks, and another, with the excise on jewellery. It is felt by jewellers throughout Canada—and I am not a jeweller—that this is a discriminatory and unfair tax. They have repeatedly made representations on this matter, and I understand they waited on the Minister of Finance and presented their brief. They feel that all retail businesses throughout Canada should be taxed on the same plan, and recommend the elimination of this particular tax. I feel, in fairness to retail jewellers throughout the country, that it is an unfair position in which they are placed. They are placed in the position of being the minister's tax collectors, and the door is opened, I feel, for practices which are not always what they should be. I suggest to the Minister of Finance that he take this matter under consideration with a view of eliminating the tax.

I need not remind hon. members of the effect which price control has had upon our country. To-day, if I remember the figure correctly, it is at the highest point since the outbreak of the recent war, but from 1939 up to the present time it has increased to the extent of only 23.5 per cent. When we think of the increase which has taken place to the south of us, and realize the actions which United States authorities have had to take, we can have some realization of the benefit of this particular control.

I had hoped to touch on the dominion-provincial proposals as submitted by the Minister of Finance, on family allowances and their effect on income payments, and more par-

ticularly I hoped to have an opportunity of complimenting the minister on his action in spreading the income tax returns for farmers and fishermen over a three-year period.

Mr. G. R. PEARKES (Nanaimo): Mr. Speaker, it is my intention to deal with one aspect of this budget, that is production, and to refer to one industry and one industry only. I am, therefore, anxious to bring to the attention of the house and of the minister the condition which exists in respect of the forest industry in British Columbia, and in particular those industries located in the coastal region of that province.

There are in British Columbia 2,446 active primary and secondary forestry industries. The primary wood-using industries include 1,600 logging operations, supplying raw material to over 600 primary manufacturing plants. These active primary manufacturing industries include saw, pulp and paper, plywood, shingle and barrel mills and box factories. The secondary industries include sash and door mills, furniture factories, boat building works, and many other miscellaneous wood industries.

The capital invested in these forest industries may be classified as follows: the logging industry, that is the industry which takes the logs out of the forest, \$30,379,000; pulp and paper industry, \$58,912,000; the lumber industry, that is the conversion of the logs into lumber, \$49,939,000; and other wood-using industries, \$14,880,000; making a total of \$154,112,000. That is exclusive of the standing timber. The value of the standing timber is estimated at between two hundred and two hundred and fifty million dollars. Thus the forest industries have an over-all investment of over \$400,000,000.

Direct employment in the forest industries represents a total of 100,000,000 man hours and an average of 37,000 persons over twelve months. Direct wages and salaries of the various industries total \$58,677,000. These are figures which I have obtained from the Sloan report, and they were based on the year 1942, which he took as the basic year. Of course since that date wages have increased considerably.

Indirect employment, such as that derived from transportation by truck, rail and water, the distribution of products, the banking, the insurance and all the other services dependent upon the forest interests, greatly increase the total I have mentioned. The total value of the production of the forest industries was estimated in 1944 as \$146,611,000. This represents forty per cent of the total income of British Columbia.