

he will make that maximum contribution of \$1,000. I think the maximum might well have been made \$500 instead of \$1,000.

I have received some complaint from married men with families. This budget has already been called a bachelor's budget. I have thought of it as being uneugenic. Some nights ago the Minister of Finance spoke of the incentive that is required by industrialists to maintain production. I fail to see any incentive in this budget to encourage the production and raising of children. When you consider that according to the *Labour Gazette* the index of wage rates since 1939 has moved up from 105.3 to 118.9, or 13.6 points, which figures out at 12.9 per cent, and that the cost of living according to the same records has risen 15.2 per cent; and when you consider further that wages have been frozen at a level which gives wages a lower increase than the increase in the cost of living—

Mr. ILSLEY: Those are wage rates, not total wages.

Mr. NOSEWORTHY: According to the information in the *Labour Gazette* for May, 1942, at page 633, these wage rates include the cost of living bonus.

Mr. ILSLEY: That is right, but they are still wage rates. That does not take into account the larger number of hours which they have the opportunity to work.

Mr. NOSEWORTHY: The wage rates including the cost of living bonus had risen 12.9 per cent since 1939 as against an increase of 15.2 per cent in the cost of living. When you consider that wages have been frozen at that level and take into account certain other features of this budget, you will see what I mean by the lack of any incentive to raise families.

There are two features of this budget to which I would call the minister's attention and which, I presume, he may have studied already. One is—this may have been intentional on the part of the minister, and it may be good from the point of view of eugenics and from his point of view; I do not know—that there is much more incentive given to the man in the higher-salaried brackets to raise children than there is to the man in the lower-salaried brackets. If you take the difference between what is left to the married man with two children and what is left to the single man, both with the same income, you will find that the married man with two children has, on an income of \$1,250, a margin over the single man of \$235; on \$1,500, a margin of \$308; on \$1,750, a margin of \$366; on \$2,000, \$386; on \$4,000, \$446; on \$7,500,

\$516; on \$20,000, \$766; and if by any chance a man has an income of \$1,000,000, a married man with two children has a margin of \$10,000 over the single man. In other words, the lower the married man's income, the smaller the difference between what is left to him after his tax has been paid and what is left to the single man.

There is one other feature which I think is worthy of consideration. We have often heard it said that the thing that matters in taxation is the amount that the man has left after the tax has been taken, but I think it is important that we consider the effect of this taxation upon the income left as compared with the income left after the tax had been levied in the previous year. In other words, it is interesting to note just how much of an adjustment an individual will have to make in his standard of living as compared with last year by reason of this budget. A man receiving \$1,500 a year or \$30 a week, taking into account the returnable portion of the taxes, will have to step down his scale of living by one per cent from his scale of living of last year. A married man with two children receiving an income of \$1,750 will have to adjust his standard of living by 3.3; with an income of \$2,000, he will have to scale down his standard of living by 8 per cent, and with an income of \$2,500 he will have to scale it down by 13.4 per cent. That appears to me to make a considerable demand for adjustment in one's standard of living.

Those are features to which I think the minister might give consideration. I hope that he will let us know whether he has already considered the effect of the budget in that regard and the income taxation increases on the married man with two children or more.

Mr. SLAGHT: I had not intended to take part in the debate to-day, but in view of what was said by the hon. member for Winnipeg South Centre (Mr. Maybank), I feel I should say a few words. The bulk of his time before the committee was occupied in a personal tirade, in personal abuse of myself, in delicately veiled sarcasm. I know that at this stage of the session the committee is not interested in any individual's mode of attack, particularly when I suggest that in nothing I said did I use any personalities. Apparently the hon. member for Winnipeg South Centre had to base his case against me on the grounds, as he said, that there are those who are always so spoiling for a fight that they will turn round and hit anybody at any time. Another choice morsel was, "he had the crowd under his spell". Then followed an expletive, "good Lord", with which he attempted to drive home his