

Mr. LESAGE: What about 1946?

Mr. JOHNSTON: I quoted the figure for 1947, which would be the tax payable under last year's budget, and I am quoting the figure the minister gave for the full year 1947, payable next year.

Mr. LESAGE: But you do not have there the reduction made in 1946.

Mr. JOHNSTON: As I say, the saving in this case is \$24 a year, or \$2 a month. Surely we cannot boast very much about that. A married taxpayer receiving \$2,250 would pay \$180 under the present rates and will pay \$150 during the coming year, or a saving of \$30.

Mr. LESAGE: For six months.

Mr. JOHNSTON: No; that will be his total tax.

Mr. LESAGE: In 1947.

Mr. JOHNSTON: No; for 1947, six months at the present rate and six months under the new rate. That will be his tax next year, so that he is saving only \$30. That is nothing to boast about. I believe the people of Canada have every right to expect a better deal than that. Now let me just quote from a clipping I cut out of a newspaper the other day in regard to the cost of living, and we shall see just how far that \$2 a month will go toward compensating people for the tremendous increase in the cost of living. This is an article from the *Western Producer* of May 1, 1947, headed "Housewives right on living costs." It states:

In Ottawa last Friday—

You see this is quite authentic.

—the bureau of statistics confirmed with figures what housewives have been declaring for a long time, that the cost of food, clothing and household requirements is considerably more than the official cost of living index indicates.

Between August, 1939, and the end of 1946, the official index showed an increase of 26.1 per cent. By last month it had risen an additional 2.8 per cent.

While these figures represented the official average advance, they did not give much indication of some of the price advances housewives, particularly city housewives, have worried about. Egg prices are 70 per cent higher than they averaged in the period 1935-39. In the same class are cheese, round steak, rolled rib roast, stewing beef, veal, bacon, lard, rice, beans, corn syrup and lemons.

The bureau computes its index by averaging the weighted representative price figure for each of six main essential item groups: fuel, rent, foods, clothing, home furnishings and services and miscellaneous.

The food group—

And this is interesting to note.

—advanced 47.4 per cent; clothing 31.1 and home furnishings and services 28.2 per cent.

Fuel moved ahead 10.3 per cent, rent—before the recent increase in domestic rentals—9.2 and miscellaneous, 12.6.

That is the increase in the cost of living; and compare that increase in the official cost of living with the measly \$2 a month that the man I referred to is going to save.

Mr. LESAGE: What about the increases in salaries since the beginning of the war?

Mr. JOHNSTON: We will talk of that in just a minute; I am glad the hon. member mentioned it. Apparently he is satisfied that the people of Canada are receiving sufficient to maintain a decent standard of living, so for his benefit and the benefit of all hon. members in the house I want to quote what was stated by the Toronto welfare council in regard to a budget for a minimum standard of living and self-respect. They state that to maintain a bare relief subsistence for a family would require, as of May 1, 1947, over \$2,300 a year before taxes.

Mr. LESAGE: How many children?

Mr. JOHNSTON: It would not make any difference whether there were one, two or three children.

Mr. LESAGE: Oh, yes, it does.

Mr. JOHNSTON: At present prices you show me the family in this country that can have a decent standard of living on less than \$2,000, and for every one you show me I will show you five hundred who cannot. However, Mr. Speaker, I want to refer to the hon. gentleman a little later, so I am not going to give him too much attention just now. I do not want to flatter him.

Mr. LESAGE: You had better not.

Mr. JOHNSTON: I am coming back to you in a moment.

I now want to direct attention for a moment to page 2554 of *Hansard*, where the Minister of Finance was speaking. I am not going to quote at great length, because others have done a very good job of that, but there the minister had this to say:

In reducing the rates of income tax I have, of course, endeavoured to graduate them as fairly as possible, giving the greatest proportionate relief to those in the lowest brackets, but granting some relief to all.

Mr. LESAGE: That is good.

Mr. JOHNSTON: I am not going to say that is not right. But the thing I want to point out is that he said he is giving the greatest possible relief to those in the lowest brackets. I disagree emphatically with that statement. I do not think the minister did give the greatest possible relief to those in