

Edmonton was going to win the championship of Western Canada, I suggested that we talk about the wheat situation. The retailer said: "We must find a way to get some money into the hands of the farmers for all the wheat that has piled up". I asked him why, and he told me: "Well, I have had to start operating on a cash basis. The farmers in my district owe me some \$20,000 and I can't give them any more credit. I don't know what they are going to live on". I inquired of the wholesaler, "What effect has this whole thing on you?" and he said, "Well, if the retailer can't sell his goods to the farmer he won't be buying any goods from us, so it certainly affects us". Then I put the same question to the manufacturer, who replied: "Well, it affects us too. If the retailer can't sell to the farmer, the wholesaler can't sell to the retailer, and we shall have to quit manufacturing our goods".

Honourable senators, I repeat that this piling up of wheat is a government responsibility, owing to the fact that the government took over the complete control of wheat in September, 1943. In my opinion the present crisis is the government's own "baby". It was conceived, born and nourished under government control. That being the case, if any risks have to be taken I think the government should take them. However, as I said before, I do not believe the government would be taking any risk at all, for even though they advance money to the farmers through the Wheat Board, the farmers surrender their quota book and the government become fully protected, because the wheat is safely stored away. And it would not be necessary to seal the bins.

That is all I wish to say about wheat, and I hope my remarks have not bored honourable senators to distraction.

Before I sit down I should like to tell the house about some of my experiences in the Old Country at the time of the Coronation. These remarks will be in a lighter vein, even though they have to do with the contentious problem of taxation. We are heavily taxed in this country, but let me illustrate how heavily people in other countries are taxed. Upon arriving in London we went down to Canada House and registered. A gentleman with whom I became acquainted there suggested to me, "Why don't you go over to Saskatchewan House and register there too?" I told him that I didn't know there was a Saskatchewan House, and he said, "Oh, yes; and you have a very fine gentleman in charge of it, Mr. Graham Spry". We went down and met Mr. Spry, a splendid chap, who was of great assistance to us all during the time we were in London and overseas. After I

helped him to entertain a gentleman from Germany who was thinking about building a textile factory in Regina, Mr. Spry took us to a pub for dinner. We had a good meal, and I said, "I think I'll go and buy a cigar". I saw Mr. Spry smiling, but I didn't realize exactly what amused him. At the counter there were several brands of cigars that appeared to be similar to our *White Owl* or *Marguerite*. Choosing one, I asked what the price was, and the clerk said, "Sixteen shillings". I told him I would take the whole box, and he added, "But, sir, they are sixteen shillings each". I exclaimed: "What! That comes to \$2.24, does it not?" He agreed that it did, and went on to tell me that 24 cents was for the cigar and \$2 was the tax.

Some Hon. Senators: Oh, oh.

Hon. Mr. Aseltine: I was content to buy one cigar and I kept the wrapper as a souvenir. I intend to show it to the honourable gentleman from Waterloo (Hon. Mr. Euler) some time.

On another occasion I bought some pipe tobacco. In Canada for thirty-five or forty cents you can buy tobacco in a pouch, which you throw away after using the tobacco, and I was not aware that in the Old Country tobacco of this kind is sold in tin cans only. At the cigar counter in the hotel where I was staying the clerk showed me a can two inches in height containing, he said, nice mild tobacco. I pulled out of my pocket a fistful of shillings, half crowns and other British coins, saying, "I don't understand your money too well, so please take the necessary amount." He replied, "Oh, you haven't nearly enough there." The price of that can of tobacco was nineteen shillings, or \$2.65. It was certainly expensive, but I bought it, anyway. That is just an illustration of the way smokers in the Old Country are taxed. I thought honourable senators would like to know that although we pay heavy taxes in Canada, the people of other countries are heavily taxed too.

Honourable senators, there is one other matter in connection with taxation that I should like to mention. It has to do with medical expenses that are deductible for income tax purposes. A Canadian taxpayer used to be able to deduct all medical expenses of his dependents and himself in excess of 4 per cent of his taxable income. The percentage was later reduced to 3, but certain factors were omitted from the new income tax laws. For example, the cost of eyeglasses is not allowed as a deduction. Any charge for false teeth is allowed, because it is on the dentist's bill. Drug bills, are not allowed, although in some cases of arthritis poor