

is paid to the government in taxes. Therefore my dividends are reduced 50 per cent to start with, and when I receive the balance of 48 per cent the government taxes me all over again on that amount. Now, if I had my money in mortgages, bonds, real estate or in any of the many other kinds of securities that do not pay corporation taxes, I would get the whole 100 per cent and would only have to pay income tax on that amount.

It is unfair that people who put money into corporations should be taxed as they are now. How can the economic system of this country operate without corporations? I understand, for instance, that some \$14 million is being spent on the development of the great Sherritt-Gordon mine in Manitoba. This capital had to be raised by the selling of shares; it could not be raised by individuals. The same is true of the money raised to develop the oil fields of Alberta. I have read that on the hustings the C.C.F. has advocated the imposition of a 100 per cent tax on corporations. Well, who are the corporations? They are just made up of little fellows who buy shares in them. I know a man who bought a hundred shares in Sherritt-Gordon. He wished he could have afforded a thousand shares. He wanted to invest some money, and that was about the only kind of investment he could make, except putting his money in a bank and drawing 1½ per cent interest.

I come now to the income tax. This country has got to reduce this tax if its wants to continue selling goods on the world market. The issue in the coming election will be not what has been done in the past five years, but where we are going to sell our goods in the next five. That is precisely why the present conference is being held in London, England. A government official announced over the radio just today that Great Britain is only going to take 10 million pounds of tobacco from Canada. Last year she took 40 million pounds. She simply has not the money this year. If we cannot sell our tobacco to Great Britain, we cannot sell it to anybody, and our tobacco producers will be forced out of business.

The Minister of Finance has said several times that he is quite prepared to reduce taxes if somebody can show him where he can reduce them without cutting out some services. Well, an Edmonton housewife gave the right answer. She said, "Why, Mr. Abbott, I don't need to tell you how to solve that problem. All you need to do is to reduce the taxes, and the government will find a way to cut down expenditures. If my husband earned \$500 a month we would live according to a certain standard, but if he came home and told me that his salary had been cut to

\$300 a month, because business had fallen off and the proprietor could not pay a larger salary than that, I would not continue to spend as if our income was still \$500 a month. Oh, no. I would cut our expenses to conform with our lower income, and I would be the best qualified housewife in Alberta to say what expenses should be cut." That is so, and today the Honourable the Minister of Finance would be the best qualified man in Canada to say where taxation should be cut if the government's income were reduced. All that parliament has to do is to give the minister \$3 billion, say, instead of \$4 billion, and he will do the cutting. No person would dare to say to any government "Cut out this or that." The only thing that one can do is to urge the government to cut down its expenditures to a reasonable basis.

Our expenditures in this fiscal year are larger than they have ever been before. They are four times as large as they were in 1939, and aside from the people that came in through the union with Newfoundland we have not a much greater population than we had then. We are spending just as much now as we did during the war, yet we have a surplus of about \$280 million. That is not right. My children and grandchildren, and your children and grandchildren, should pay part of the cost of the struggle that we are going through and have been going through for some years. We fought from 1939 to 1945 to save this country. We did the best we could in every possible way. Our young men and women went to the war, some of them unfortunately never to come back, and the country as a whole gave freely of its energies to help win the war. Yet today we are going on and spending as if we had to pay the whole debt of Canada instead of leaving some of it to be paid by its future citizens. That kind of thing simply cannot be done.

No wonder the cost of living has gone up so high. At present, it is true, the figures indicate a slight reduction in the total cost of living, but if you look at the reports that come out every month you will see that it is my friend the farmer from Rosetown (Hon. Mr. Aseltine) and my friend the farmer from Blaine Lake (Hon. Mr. Horner) and all the other farmers and agricultural producers of this country who are paying the shot. There has been no reduction anywhere except in the cost of primary products.

We had a magnificent crop in western Canada this year, one of the greatest we ever had. It was fortunate for us, though unfortunate for other people, that Argentina, Australia and other countries had poor crops. Australia, India, Pakistan and Ceylon wanted