

Mr. Speaker, the minister stated in his speech that taxation was the fairest means of providing revenue and that taxpayers' ability to pay was being taken into account. This, he says, applies to the low income earner no less than to people in the higher income brackets. As far as salaries are concerned, I agree, but when it comes to the taxation of professional men and business men, on this point, I must differ to some extent with the Minister of Finance. In order to achieve a fair distribution and to ensure equitable treatment to the people of this fair country, we should start with paying fair wages to the income tax assessors throughout Canada, so that they may further the interests of the department and tax all classes on the same basis. If they were paid a decent wage, the income tax assessors would better serve the interests of the department instead of catering to individuals. Tax revenues would thus soar and provide relief for the wage earner.

Mr. Speaker, I was also struck by the minister's statement to the effect that this period of numerous and persistent shortages, with the present strong demand for commodities, was obviously not a good one in which to embark upon a large-scale programme of public works. He added, however, that, as a result of the war, and of the depreciation of public property, many of our resources have been depleted to such an extent as to make it necessary for us to prepare long-term plans for a decided effort in all branches of public works when circumstances render them feasible. In this connection, Mr. Speaker, I might add that in my riding of Shefford the people are living on expectations. We are in great need of such a programme of public works. It should materialize soon, considering the millions of Granby dollars which have found their way into the national revenue. I must congratulate the Right Hon. Minister of Finance on his presentation of the difficult financial relations between the dominion and the provinces, which have called for a great deal of extra work in the preparation of the budget. I realize that a prosperous central authority working in the general interest is essential to prosperity in the country.

May I be permitted to say, Mr. Speaker, that the people of Shefford are well aware of the minister's predicament and understand the pressing needs for great quantities of our products overseas. We know also that these countries are in no financial position to pay cash and that we must extend our credit to them. As the Minister of Finance so aptly said, it is all very well to replace our expenditures for the last six years by investments which will add to the productivity of our

country, but we also believe that such credits should bear interest, if they are being used. I commend the government for its initiative and foresight and add, as was so aptly indicated by the minister in his speech, that in an unsettled and restless world, it is impossible to determine the economic trend of the future, which justifies us all the more in continuing to lend a helping hand since our investments bring returns.

In the budget speech, Mr. Speaker, I also carefully noted the section which dealt with the simplification of the tax procedure with regard to individuals, but I regret that the budget does not raise the exemption, formerly set at \$660 for single people and \$1,200 for married men, above \$750 and \$1,500 for these respective groups. It is to be hoped, however, that the suggestions of my colleagues will be implemented and that the pre-war exemption of \$1,200 for single people and \$2,000 for married men will soon be in effect.

Mr. Speaker, I now come to the other section of my constituency which is not the least important; I refer to the farming population which, to my mind, deserves immediate consideration if we would halt auction sales and the exodus from the land in our constituencies.

The county of Shefford is not outstanding for its agricultural products in general but the dairy production is unequalled. The wartime prices and trade board placed a ceiling price on butter and subjected this industry as well as other industries to certain restrictions. I deem it my duty to call attention to the following, but before doing so I wish to congratulate the government for having allowed, a few months ago, an increase of four cents per pound in the price of butter. On that occasion I carried out a survey in my constituency and I found out that milk had a butterfat content of 3.5 per 100 pounds, which meant a thirty-five cent premium for the producer. The latter was receiving for 100 pounds of fluid milk giving 3½ pounds of butter the sum of \$1.04 plus thirty-five cents premium, a total of \$1.75. On the other hand fluid milk could be sold in the metropolis for \$3.05 per 100 pounds, including premium, or \$2.70 after deducting shipping costs. I personally found out at the time that there was a substantial difference between those two prices in addition to the difference in the amount of labour required. This may explain the scarcity of butter.

In 1938 the agricultural cooperative of Granby township was organized. I may add that the people of Granby, as well as myself,