

Q. But is that not the way our incomes are distributed? If you go into an industry where there are 2,500 employees they get their wages not on the number of people in their families or their needs. They get them according to their skills or trades. I suppose the supposition is that will meet the needs of the average family. What was the exact figure?

The CHAIRMAN: What you mean by that is the wages system does not take into account the number of dependents a wage earner may have.

Mr. MACINNIS: Yes, and because it does not I think the average should be high enough to take care of the largest family.

*By Mr. MacInnis:*

Q. Can you give me the exact monetary value of the 1938 budget?—A. Roughly \$1,450.

Mr. FLEMING: That is for a family of 4.6 persons.

*By Mr. Fleming:*

Q. Mr. Chairman, I want to go back to the basis of the family, the 4.6 persons in 1938. How was that selected and has any account been taken of any trend in the meantime in the size of the average family?—A. That figure was taken from the census records. Before the budgetary survey was made there was a study made of the actual size of families from the census records. There was a very careful sampling pattern made. I suppose it took at least six months to go through the records to make the sampling pattern from census facts.

Q. Have you made any subsequent studies on the same point so we could relate this percentage rise in the cost of living to the needs of the average Canadian family?—A. No, we have not taken another budgetary survey yet.

Q. On the assumption that the size of the family has remained fairly constant, to reach the figure of the average need of a Canadian family today, we would simply multiply \$1,450 by 148.2 is that correct?—A. You would certainly then get the value, the amount of money it would cost to buy a basket of the same kind as was set up in 1938, yes.

Q. That is what I want to get at. If the cost is lower it is because people are doing without some of the things they had in 1938; that would be a fair assumption or inference?—A. I did not quite get that.

Q. Multiplying 148.2 by \$1,450—I assume it comes to \$2,150 a year. If you take the same Canadian family, averaging 4.6 persons living on \$1,450 in 1938, if they are living today on less than \$2,150, then they are doing without some of the things they got in 1938?—A. That is what it would cost to buy that same basket that we included in the budget in 1938.

Q. Is my inference a correct inference?

The CHAIRMAN: Is it up to the witness to make an inference?

Mr. FLEMING: I am trying to interpret the statement the witness has made and trying to relate it to today's conditions.

The WITNESS: It seems to me all I am giving is a rise in the cost-of-living index. I say that in 1938, you had a basket of goods or services which cost \$1,450 and the same basket of goods or services, according to our index, would cost roughly \$2,150.

Mr. MAYBANK: I have noticed that for a considerable time we have been dealing with the methods followed by D.B.S. Surely, it is plain to us all there has been an increase in the cost of living. Now, Mr. Mayhew said a while ago the main point was to determine, perhaps, some of the peaks in the rise and then, perhaps, to examine into the reasons for them, particularly. There is no doubt there has been a rise in almost everything, in some things much more than in others.