

*The Budget—Mr. J. A. Ross*

been received from the Sheet Metal Association of British Columbia by letter to myself dated April 9. A reply was sent on April 16 from the director of the small industries division, and a further letter on April 17 from the chief of the general purchasing branch. A meeting is being arranged between officials of the Department of Defence Production and representatives of the association.

However, it should be pointed out that the statement made by the Sheet Metal Association, and repeated in the house by the hon. member, that steel supplies have been cut off in the province of British Columbia and that there has been no defence production in that province, is completely erroneous. Steel suppliers in Canada are distributing steel in accordance with past purchases. This appears to be the fairest and most equitable method of distributing the supplies which are available after taking care of defence requirements. Particular attention is being given to keeping steel distributors in all parts of Canada supplied with their normal requirements.

It is not possible to furnish all the steel that purchasers would like to have, but some success is being achieved in furnishing steel that is required for essential construction and maintenance purposes.

### THE BUDGET

#### ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed, from Monday, April 16, consideration of the motion of Hon. Douglas Abbott (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the amendment thereto of Mr. Macdonnell (Greenwood), and the amendment to the amendment of Mr. Coldwell.

**Mr. J. A. Ross (Souris):** Mr. Speaker, last night at the adjournment I had been discussing the sales tax and the increase of 25 per cent as set forth in the budget proposals. I had pointed out that this has greatly added to the problem of higher living costs throughout the nation.

I had also quoted the Minister of Justice (Mr. Garson) when, as premier of Manitoba, he had pointed out to the federal government that it was the undue reliance upon indirect taxes on staples and articles of everyday use that so seriously curtailed the quantity of goods that could be purchased by families with low incomes. I had pointed out that, as a result of the proposed increase in the sales tax from 8 to 10 per cent, only yesterday the

[Mr. Howe.]

Imperial Oil Company had announced an increase in the prices of gasoline and diesel oil. This adds to the cost of production of farmers and others throughout the nation. There have been continuing increases in their costs, and this is an added one resulting from the budget.

Just prior to the Easter recess there was announced a final settlement with respect to the five-year wheat pool and a supplementary vote making provision for the payment of \$65 million to cover that settlement. This amounted to a settlement of approximately ten cents on the dollar of the loss taken by prairie wheat producers during the five-year wheat pool.

During the Easter recess the Minister of Justice addressed a series of meetings in Manitoba in which he attempted to explain the wheat situation, but he carefully avoided all reference to the increased costs of production with which those farmers are confronted and with which they were confronted during the term of the five-year pool. In that respect, Mr. Speaker, I should like to quote—

**Mr. Speaker:** Order. I do not know whether the hon. member proposes to reopen the debate on the United Kingdom wheat agreement. I do not think that should be permitted on this occasion. We had a long debate on the subject when the Speaker was in the chair, and subsequently in the committee of the whole. Under those circumstances I do not think that debate can be revived at this time.

**Mr. Ross (Souris):** Mr. Speaker, if you rule that the \$65 million has no bearing on the present budget, then I am out of order.

**Mr. Speaker:** That is my ruling—and not only with regard to the hon. member but with regard to all hon. members who may follow in the debate. I thought I should bring it to the attention of the house at this time.

**Mr. Graydon:** On a point of order, surely an hon. member has a right in the budget debate to discuss anything connected with the financial aspects of the government's program. I suggest he should not be debarred from discussing this important branch of the program.

**Mr. Martin:** How could there be a point of order on that?

**Mr. Graydon:** You are not Mr. Speaker.

**Mr. Speaker:** The hon. member for Peel is right to a certain extent. In the present instance, however, the matter in question has already been decided. If the discussion were