

which has been wasted. Not so long ago in the house the minister made a fine statement trying to rectify conditions for these veterans and said that the government would spend at least \$700,000 for that purpose. I understand now that the expenditure will be at least double that amount. This has been a costly and ill-advised piece of business as far as this country is concerned, and has been most unfair to both the veterans and the taxpayers of Canada. Everyone who knows me knows that my sympathies are all with the veterans. They should have better housing conditions than have been provided. It has been a costly piece of business and we do not seem to be able to get it all chased down. One of these matters has been in the courts since a year ago January and we have not yet had a decision. There are other unsatisfactory conditions with respect to veterans housing all across Canada.

The cost of living index for Canada which has been used by the government has been quite misleading and has not taken into account many important items which concern every housewife. While the index shows an increase since 1939 of about thirty per cent, it is actually a great deal higher than that at this time.

I have discussed the plight of the old age pensioner at almost every session of parliament since 1940. I asked then that provision should be made immediately to grant them at least \$30 a month and that the age limit be reduced to sixty-five years in the case of males and to sixty years in the case of females. I repeated this request in June, 1944. Since then, the greatly increased cost of living has taken place. On April 28 of this year the Minister of National Health and Welfare (Mr. Martin) gave notice of a measure to amend the Old Age Pensions Act by providing increases in the pension and modifying certain of the eligibility requirements for these people.

I maintain—and I have had many requests from farmers in my own part of the country and in other ridings to this effect—that these farmers should not be made the tax collecting agency for the Department of Revenue; that is, that the farmer should not be made responsible for deducting the tax from salaries paid to helpers on the farm and then in turn mailing it to the income tax officials. The farmers think the collection people should be responsible for collecting these salary deductions rather than making the farmers themselves responsible. They dislike that situation very much.

Provision should be made for allowance of the basic breeding herd of cattle as capital. I have requested this in past years on the

[Mr. J. A. Ross.]

budget debate. It has been suggested by the producer organization that the basic breeding herd should be considered as a number of live stock equal to what the farmer owned on January 1, 1941. Farm incomes were low and exemptions relatively high at that time. Real estate and farm machinery are allowed as capital, and the basic herd should be considered as a capital asset and be exempt from income tax on the same basis as real estate and equipment. I thought a year or two ago that this organization was getting somewhere with the government officials on that matter, and at this time I repeat the request that it be seriously considered.

During the past year our adverse balance of trade with the United States amounted to some \$600,000,000. Much of this could have been corrected by allowing certain of our agricultural products to be marketed in the United States. The Canadian government have refused to permit the marketing of any beef cattle in that country since 1942, and continue to refuse, while since that time Mexico has been shipping to the United States market as many as 500,000 head of cattle annually. A comparison of beef prices, live weight, as of May 1, shows the following figures:

	Winnipeg	St. Paul
Good steers	\$14.50	\$22.50
Good heifers	14.25	23.75
Good cows	11.25	16.00

The same situation exists in regard to dairy products. On April 29 of this year barley was quoted at Sarles, North Dakota, at \$1.70 to the farmer, while at Cartwright, Manitoba, the figure was 67½ cents. Then we have the United Kingdom-Canada wheat agreement, of which much has been heard in this country. For the crop year 1946-47 some 160,000,000 bushels of that crop are promised to the United Kingdom at \$1.55 a bushel basis Fort William, or \$1.20 to the farmer at the elevator, together with participation certificates. This crop yielded approximately 40,000,000 bushels more than the average of the previous five years, and according to a statement by Mr. George McIvor, chairman of the Canadian wheat board, as reported in the press last week, we have for export this year to other countries of the world apart from the United Kingdom approximately 70,000,000 bushels, which is being sold at from \$2.75 to \$3 a bushel. We are now well into the tenth month of the 1946-47 crop year. Thus you will have some idea as to the amount of money the western wheat producer is losing through this deal, compared with what he would get if wheat were exported on the same basis as lumber, manufactured goods