

that \$365, being the profit you made on top of that, in feeding yourself at \$1 a day, and also add \$365, the profit you made on top of that, in feeding your wife at \$1 a day, which means that you will add \$730 to your \$2,000, and pay the tax on \$2,730, and, putting the hired man's expense at fifty cents a day, charge \$165 off for him." Before my hon. friends advance this sort of argument, let them try to think it through. Let them remember that there are other parts of Canada than the western prairies, and let us not occupy all the time in this house with supposed special grievances that will not bear examination in the light.

Mr. JOHNSTON (Bow River): I did not intend to say anything about this matter, but since the hon. member for Parry Sound is so confused in his figures he would probably appreciate a little correction. He compared the farmer and the little groceryman at the crossroads. I am sure the hon. member has never farmed or conducted a little store. The hon. member knows or should know that the two cases are not comparable. The farmer has been producing at a loss, at a price less than the cost of production. The hon. member knows very well that no storekeeper carries on business in that manner. When the little country storekeeper or any storekeeper puts goods on his shelf, all his overhead, including the rent and his own wages and the cost of his help, is included in the price of that article that he sells.

Mr. SLAGHT: Does my hon. friend not know that in a bad year the storekeeper extends credit to his customers, the surrounding farmers, and yet he has to pay his wholesaler in cash? He goes into the red because he is good enough to extend credit. Surely my hon. friend knows enough to know that.

Mr. JOHNSTON (Bow River): Yes, and I know that the little storekeeper is not compelled to extend credit.

Mr. SLAGHT: But he does it.

Mr. JOHNSTON (Bow River): When the little storekeeper sees that the risk is not good he does not extend credit, no matter how badly off the farmer may be. But all these items enter into his cost of doing business. Therefore, if at the end of the year he has a profit, it is proper that he should pay the tax. If the farmer were in the same circumstances, I would agree with the hon. member. If the farmer were given his cost of product and a fair commission or profit, if you put it in that way, then he should pay tax, and there is no one on this side of the house who would

contend otherwise. But our main objection is that over this great number of years, the last ten or fifteen years, the farmer has been forced to produce at less than cost.

The hon. member went on to say that the east had done so much to help the west.

An hon. MEMBER: Had done the west for so much.

Mr. JOHNSTON (Bow River): Yes, if he had said "done the west for so much," it would have been putting it better. But the fact is that the hon. member's statement is not correct. He knows that the farming community in western Canada has been the market for eastern manufactured goods. In fact the west was created as a market for eastern goods, for that very purpose, and it has been the endeavour of the east to keep the west for that purpose ever since. If it had not been for western agriculture and western Canada in general, where would industry, small or large, of eastern Canada have been? There would not have been any room for lawyers in eastern Canada, because there would have been no debts to collect and they would not have had a living. As it turns out, however, they have made rather a good living out of it.

The hon. member spoke of gasoline shortage and the tourist industry. He was badly out on that. Certainly the province I come from has added more to the tourist industry than Parry Sound ever thought of. That was one of the largest sources of revenue of Alberta in the last few years, and the fact that gasoline has been cut off has practically ruined that industry. As we were told in the reconstruction committee the other day, the reason why gasoline is being rationed is not the shortage of gasoline; it was transportation. They pointed out that it would not be fair to allow western Canada to have gasoline when eastern Canada did not have it. That was pointed out by one of the so-called experts. Surely that does not line up with what the hon. member for Parry Sound is trying to tell us. He said that his constituency particularly had contributed so much to the war effort. I shall not deny that; the facts speak for themselves. If the people of the hon. member's constituency are so wealthy that they can afford to do it, they should do it. If they have the money available and wish to invest in war loans that is the only proper thing for them to do. But how can you compare a constituency like that with western Canada, when the people there have not the money because they have been producing at a loss? They have not accumulated profits over the past years to invest in war loans, and if they