

we have done for Canadian business. On page 2552 of *Hansard* we have an interesting table giving a forecast of the fiscal year 1947-48 as compared with the fiscal year 1946-47. We find there that the biggest reduction in taxation comes in the category "excess profits tax". We intend to reduce the excess profits tax to the extent of \$279 million. That is the biggest drop in any of the items in the national income forecast for next year. The excess profits tax drops from \$449 million to \$170 million, or \$279 million.

Not only do we reduce the excess profits tax, but we remove subsidies, thereby removing their responsibility to help protect the family incomes of those people who drop below \$1,500 a year. In addition to that, we remove the price ceilings so that, through sales of manufactured products, excess profits can be maintained. Now what have we done for the family?

An hon. MEMBER: Not we; the government.

Mrs. STRUM: The government, pardon me. I wish to dissociate myself from this action. Looking at page 2557 of *Hansard*, let us consider the family to whom the Minister of National Revenue referred—the \$1,800 a year man with two children. True, he has a reduction in taxation. True, he is down to \$16 a year and next year he will be down to \$10 a year. The drop is \$10. The 1947 tax rate forced him to pay \$20. Next year he will pay \$10, or he will save \$10. But he has two children and they are supposed to drink milk; they are supposed to be drinking a quart of milk a day. That means that his children are supposed to drink 365 quarts of milk each per year, or 730 quarts for two. Through the removal of subsidies, milk has gone up from ten cents to fifteen cents a quart, so that for 730 quarts of milk he pays an extra five cents each, or \$36.50. On the one hand, he saves \$10, and on the other hand he pays out \$36.50; or, in other words, he is \$26.50 in the hole. Then, of course, he himself is supposed to drink a pint of milk, and his wife is supposed to drink a pint of milk, but this figure is just for their children. Actually, through the removal of subsidies, even though we have given him \$10 off his income tax, he is really \$26.50 in the hole; or, if he pays sixteen cents a quart, as many people do, it will cost him \$43.80 and he will be \$33.80 in the hole, on this new budget.

The great majority of our families fall below \$1,500 a year. Not only does this man lose out on his milk, but he loses out on his butter and shoes which are now out from under the ceiling, and on many other articles which go into the cost of daily living. His rent has

increased. In many ways his real income does not go nearly as far as it did a year or two ago, so that he is really worse off than ever.

The people with under \$1,500 a year are, of course, completely vulnerable. Lack of income puts them in a completely unsheltered position in regard to the paying of rent, the buying of things like milk, butter and shoes, and the many other things that go into the cost of living. As we stated earlier, and as the minister himself pointed out, the majority of the Canadian families are in that unenviable position. No wonder that our health records are bad. No wonder that our crime records are bad. No wonder that we are ashamed of many things in the field of national health and housing.

There are many social costs which do not appear in the budget and which are the result of the failure to provide for the protection of our Canadian families. I should have hoped that, with our surplus which the government is so proud of, we might have undertaken a large-scale public housing project. In any country where this has been undertaken the results have been surprising indeed. I want to quote now from the report of the lieutenant governor's committee on housing conditions in Toronto in 1934. This is what the report says:

Doctor Chalmers, medical officer of health, Glasgow, is overwhelming in his indictment of bad housing. At a time when sixty per cent of the population lived in one or two-room apartments Doctor Chalmers wrote:

"In one-roomed houses the death rate was 29.9 per thousand.

In two-roomed houses the death rate was 16.5 per thousand.

In three-roomed houses the death rate was 11.5 per thousand.

In four-roomed houses the death rate was 10.8 per thousand."

Doctor Chalmers goes on to say that, "Bad housing increases the incidence of all infections, contagious and verminous conditions, of respiratory diseases, and of anaemia, debility and constitutional maladies. The worse the housing, the higher the death rate."

After the reconstruction of slum areas in Edinburgh, the death rate of these areas fell from 45.5 per thousand in 1892 to 15 per thousand in 1910, or reduced it by two-thirds.

This, to me, is significant, and it was significant enough to be included in the lieutenant governor's committee's report on housing conditions in Toronto; and the bad conditions which were found in Toronto are duplicated right across the country in all our Canadian cities. We find that the infant mortality rate is high. We find that all the things which go to break up families are prevalent in those areas. We find that people are paying out far too much of their income for rent. In the report of the advisory committee on recon-