

Supply—Finance

membership in the House of Commons I have found invariably that the estimates of the Minister of Finance are completed as almost the last order of business at the end of the session, when everyone is tired and anxious to get away—and let me add that I am just as tired and anxious to get away as anyone else.

So I hope it will be made clear that the purpose I have in rising to speak upon the matter I am now going to discuss before the House of Commons is a sincere and honest purpose. I do believe that until the people of Canada and members of the House of Commons begin to concentrate upon the Department of Finance they will have very small chance of finding even a semblance of a solution for the difficulties now surrounding them.

I propose to ask five questions, and I shall ask the Minister of Finance, with his experts, to answer these questions. I have sent copies of them to the parliamentary assistant who, by the way, is left to carry the burden alone at this time. For some reason or other, the Minister of Finance is away. I have sent a copy of the questions to each of the experts who sit in front of the parliamentary assistant today. I have also sent a copy to the Prime Minister so that, along with us, he can consider these questions.

I will grant that to answer some of the points asked in the questions will require an expert knowledge and understanding of finance. Consequently I am sure that the parliamentary assistant will have to call quite freely upon the experts in front of him. However, they should be able to answer the questions, and answer them accurately.

Before asking these questions I have one more thing to say, and that is that if they are answered accurately they can be answered in one word. If they are answered with the right word there will be no further remarks from me today. I shall call it a day, and be well pleased with the achievement.

Let me say finally before I put the questions that they go right to the heart of the difficulty confronting the civilized world today.

The first question is this:

1. A dollar created today by the treasury of Canada without debt or interest, and spent into circulation, much as was each of the \$26 million created by the treasury of Canada during world war I, and spent into circulation—such a dollar would be a sound dollar today, provided there were in Canada enough goods for such a dollar to “chase”, would it not?

2. Notwithstanding the Bank of Canada Act and the Bank Act of Canada, it would be feasible for this parliament to pass an act

[Mr. Blackmore.]

similar to the Finance Act of Canada, 1914, or that of 1923, granting the treasury of Canada the power to issue state dollars, without debt or interest, and spend those dollars into circulation, would it not?

3. Possessing the power conferred by such an act, the treasury of Canada could soundly issue debt-free and interest-free, and scientifically spend into circulation, enough dollars into the hands of Canadian consumers, or potential consumers, so to supplement the dollars the consumers would be obtaining from sources available to them under our present system as to enable Canadian consumers to buy Canadian goods and services to the limit of their desires, or to the limit of Canadian productive capacity, whichever limit might be arrived at first, could it not?

4. Would it not appear that a logical means of scientifically spending such newly created debt-free dollars into the hands of consumers and potential consumers would be to compensate either manufacturers or retailers for giving a discount in the price consumers would have to pay, thereby in effect counteracting inflationary influences by buying lower prices?

5. Would it not appear, furthermore, that another logical means of scientifically spending such newly-created dollars into circulation, would be to provide consumers with direct issues of consumer purchasing power resembling cost-of-living bonuses, thereby counteracting deflationary tendencies by, in effect, purchasing markets?

I propose to go back over these questions one by one and give the minister a chance to answer them. If he will answer the question in one word, and it is the right word, I will go on to the next. If he does not answer with the right word I shall probably have to reason with him.

1. A dollar created today by the treasury of Canada without debt or interest and spent into circulation, much as was each of the \$26 million created by the treasury of Canada during world war I and spent into circulation—such a dollar would be a sound dollar today provided there were in Canada enough goods for such a dollar to chase, would it not? What would the minister's answer be to that?

Mr. Sinclair: First of all, I certainly do not intend to say, “Yes” or “No”. The hon. member can resume his seat because I will take a few minutes. The hon. member started off, as he started off when we were considering the finance estimates last year, by referring to the fact that the Department of Finance is the most important of all government departments. Naturally I agree with that. Secondly, he commented on the fact