

can produce the goods in abundance; and the minister must learn how to produce the money free from debt and free from taxation. The minister will be able to save a great deal of time and energy, and avert a dangerous feeling of frustration throughout the country, if he will frankly adopt the monetary principles of social credit.

Before resuming my seat, I should like to spend just a moment on this general question of trends with respect to free enterprise which was discussed briefly this afternoon by the hon. member for Lake Centre and the hon. member for Rosetown-Biggarr. Free enterprise, as the hon. member for Rosetown-Biggarr pointed out, is finding it difficult to survive nowadays because of certain trends. May I point out where the main difficulty for free enterprise lies. It is in the fact that free enterprise is unable to find markets; and because it is unable to find markets, combines of producers result, in an effort to cut down overhead. The combines get bigger and bigger until, first thing you know, they are vast trusts, and have become international cartels.

What is the cause of that trouble? Purely that they are unable to find markets, and purely that they are unable to have prices guaranteed. Now, if we can manage to provide these industries with markets at guaranteed fair prices it will be a simple matter to govern their activities beyond that, and free enterprise, large and small, will survive and flourish in a country, with freedom. If we fail to find markets for the goods they are able to produce, then I warn that there will be more and more development toward autocracy, more and more development toward totalitarianism and dictatorship until it bestrides the world, and you will find a titanic struggle going on between powerful business concerns organized into a monopoly on one side, and labour organizations organized into a monopoly on the other side. If the business organizations happen to win the contest which follows you will have a fascist dictatorship, and if the labour men, on the other side, win, you will find that you will have a communistic dictatorship, or a dictatorship of the proletariat. And there is no way in the world of escaping this, unless we adopt the method of guaranteeing prices and guaranteeing markets.

Unless we do that by some such technique as social credit—and I suggest that the social credit technique is admirably adapted to the problem to be solved—we are headed for disaster. And all the Bretton Woods and Dumbarton Oaks and San Francisco conferences that we can devise in the next fifteen years will not save us from dictatorship, and, finally war. I submit this, as a humble con-

tribution which might be used by the government in its endeavour to solve the problem which confronts our country at this time.

Bill reported, read the third time and passed.

SUPPLY

The house in committee of supply, Mr. Golding in the chair.

INTERIM SUPPLY BILL

Mr. ILSLEY moved:

Resolved that a sum not exceeding \$148,845,000.59, being five-twelfths of the amount of each of the several items to be voted as set forth in the main estimates for the fiscal year ending 31st March, 1946, laid before the House of Commons at the present session of parliament, and in addition thereto the sum of \$437,749.83, being one-twelfth of the amount of items 10, 23, 24, 27, 141, 146, 148, 151, 152, 171 and 267, and the sum of \$862,958.33, being one-sixth of the amount of items 29, 133, 134, 142, 153, 158, 160, 161, 162, 269, 270, 271, 276, 277, 278, 279, 280, 282, 283, 286, 287, 289 and 290 as set forth in the several schedules to The Appropriation Act No. 1, 1945, be granted to His Majesty, on account, for the fiscal year ending 31st March, 1946.

Mr. HAZEN: Would the minister explain what this proceeding is? What is the Chairman reading from?

Hon. J. L. ILSLEY (Minister of Finance): The Chairman has just read a resolution of the committee of supply providing the sum of \$148,845,000.59—

Mr. HAZEN: Where is it found?

Mr. ILSLEY: It is not found anywhere; it has just been read. This is the usual procedure in committee of supply, but I had better explain to the committee just what the government is asking it to do.

The resolution is passed by the committee of supply, and then a subsequent resolution by the committee of ways and means, preparatory to the introduction of a bill, which will be an appropriation bill. That appropriation bill is to provide (a) five-twelfths of all the items to be voted in the main estimates for the fiscal year 1945-46; (b) an additional one-twelfth for certain services detailed in schedule A to the bill; (c) an additional one-sixth for certain other services detailed in schedule B to the bill, and (d) borrowing power to raise sums required for redeeming loans or obligations maturing or callable during the new fiscal year.

The proportion of five-twelfths for all services is intended to provide for ordinary requirements to the end of August.

The additional proportions requested for certain special items are necessary on account of the seasonal nature of the services affected,