

Mr. GARLAND (Bow River): Falsify their accounts.

Mr. WOODSWORTH: Yes, falsify their accounts. I do not think that is too strong a term to use. Their assets were put up to a figure higher than what they had paid for them and much higher than the market prices. If that had not been permitted, some of our insurance companies would have gone bankrupt. That was done under the unemployment relief act. It does seem to me that if the government could handle that situation in that way in the interests of big business, it could very easily, if it were in earnest, handle this other situation and protect the living standards of men, women and children, which standards have been so seriously threatened by the practices which have grown up.

The Prime Minister says we have not the money to spend, but that is the same old cry. According to a statement issued by the bureau of statistics, last year, 307 Canadians paid income taxes on incomes of more than \$50,000 per year. That little statement shows the real situation. When there is so much money in the hands of some of our people that 300 of them have incomes of more than \$50,000—some of these run to exceedingly high figures but we cannot tell exactly, as the Minister of Finance has said that it would not be in the public interest to divulge this information—there is no earthly reason why we cannot adopt policies which will give every man work and a decent living.

Surely there is sufficient credit in the country. I submit that if a war were declared to-morrow the money would be found with which to carry it on, in spite of the enormously heavy debts which we now have. Surely the credit of the country is sufficient to provide every man with a decent job at a decent wage. If it is not, we may as well go out of business entirely. The Prime Minister gets back to his favourite argument, that we must not destroy contracts, that we must maintain our credit and recognize our solemn obligations. I have said before on many public platforms, and I repeat, that while we may be said to have certain obligations to the bondholders of the Canadian National Railways and the government, in my judgment the obligations which we owe to the returned men, many of whom are on the verge of destitution; the obligations which we owe to the scattered pioneers of this country, many of whom are suffering dire want; the obligations which we owe to the coming generation of Canadian children, are infinitely more sacred than those which we owe to the bondholders.

[Mr. Woodsworth.]

Why take this whole question of contracts for granted? A contract is made on a definite set of conditions, and if those conditions alter, the contract should be altered. That is only equity. If the dollar changes in its purchasing power we will soon reach the stage where we will change the contract in accordance with the changed value of the dollar. We have been saying that from this corner of the house for a number of years, but in spite of all our protestations we find the Prime Minister coming back to his old position and refusing to think of other than nominal values, saying that we must maintain the contracts. He calls us welschers if we do not maintain those contracts. I am not to be bullied by any such words as that flung at me.

Mr. BENNETT: The hon. gentleman must realize that I did not say that. I said that we would be called welschers when we did not meet our obligations.

Mr. WOODSWORTH: Apparently the Prime Minister associates himself very closely with that position or he would not use that argument, but I accept his correction. I say that I am not to be intimidated by any such words or by the calling of nasty names. We have to face the facts as they are in this country.

The Prime Minister then went on to speak about debts. Apparently they cannot be altered. These debts are being treated as sacred things. We all know how the war debts were contracted and that a number of people laid the foundations for their fortunes during those times. After the war the Liberals made a motion to investigate the scandals in connection with war contracts but before they had gone very far they dropped the matter. We all know that many people made their fortunes at that time and that some of them salted those fortunes away in tax free bonds. There never should have been any bonds of that type issued. Is the ill-considered action of those in authority in those days to tie up the people of this country forever? Have not nearly all the countries of the world recognized that the contracts made at that time were made under very abnormal conditions? Many of the nations have not paid what the Prime Minister undoubtedly would call their honest debts, Great Britain among them. Great Britain, while she has not formally repudiated her debts, has ceased to pay the instalments due the United States. If we made internal contracts at that time and issued bonds, are we to go on forever as hewers of wood and