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Sees Signs of
Breakdown in
War Savings

He focussed on the heavy conversions of \$50 and \$100 Victory Bonds. 339,000 of these, he said, had been turned in between the second and third Victory Loans last year, and gave figures to show that the rate was accelerating. Many subscribers, he asserted, had turned in both Bonds and War Saving Certificates at the earliest possible date and the inference was that the Government's savings plan was breaking down.

The reasons lay in the nature of the campaign. Bonds had been sold on the incentive of buying ships and guns when the real purpose was to syphon all purchasing power. High-pressure methods had been carried to the length of canvassing old-age and other pensioners. The pay-roll deduction scheme had inferentially made subscriptions a condition of employment in the Civil Service and elsewhere. He predicted that if these conditions were not remedied, the conversion of small Bonds and War Saving Certificates would increase until it approached the volume of sales.

- Stanley Knowles (CCF) Winnipeg N.C. regretted that the Budget made no provision for an immediate increase in old-age pensions; recalled that Hon. C. A. Dunning in 1939 had thought it impossible to find \$18,859,000 required to lower the pension age, whereas the Budget, since then, had been increased by 225-times that amount. He argued against a contributory basis on the ground that elderly people had already made their contribution to the wealth of the country.

Hon. W. Earl Rowe (C) Dufferin Simcoe thought that, regardless of incidental war items, the ordinary expenditures should have been lower, not higher.

Asserted that the public were restless because the Government faced Canada's greatest national task with the least possible plan.

Asserted that reinforcements in England numbered less than 12% of the Canadian Army.

Said he had heard of war profits up to 100%. (Mr. McLarty denied this.).

Criticized price control on the ground that fears of inflation had been aroused, which were more harmful than a moderate degree of inflation itself.

P. Gauthier (BP) Portneuf (in French) discussed the farm labour problem and an increased butter ration for workers.

Contended that there should have been no sirtings in the St. Lawrence if the defenses of this country were adequate. Dwelt on the conscription issue.