

ciate the fact that this Bill will break the shackles which hamper the farming community in various provinces in getting mortgage loans at a fair rate of interest, for no doubt provincial governments will feel the necessity of extending to their people the advantages which will flow from this Bill.

Other reasons are:

Because these amendments would result in only a relatively small saving to the Dominion Treasury and the cost which the Treasury would still have to bear would be out of all proportion to the benefits obtained by the nation.

Because with these amendments the Bill would not accomplish a major objective of the Bill which relates to the permanent improvement of mortgage lending practices in this country. Companies eligible to become member companies of the proposed Central Mortgage Bank now confine most of their lending activities to mortgages on non-farm homes. Consequently, the provisions of the Bill designed to make available long-term funds at low interest rates to be lent in accordance with the principles in subsection 3 of section 22 of the Bill would have little practical effect.

So I would pray that my right honourable friend will consider this situation, will take the Bill as a whole, working, as it does, for a lowering of interest throughout the entire land, and will let the Finance Department and the officials of the Bank of Canada try to cure the sore which eats into the body politic, and to give full play to an easier movement of funds throughout the country.

I should be most happy if my right honourable friend would agree to second my motion that the Senate do not insist on its amendments.

Right Hon. ARTHUR MEIGHEN: Honourable members, I have already spoken at length on two successive days on this measure, and a very few sentences will now suffice.

The House of Commons has been pleased to accept a series of amendments which go no further than the correction of obvious errors in the Bill, but has brusquely declined to accede to any that affect the substance of the measure in any way at all. The reasons given have this advantage: they disclose pretty clearly what is behind the measure. These reasons go on to tell us the great benefits of the Bill will not accrue unless we help mortgage companies and help people in towns and cities who owe inconvenient sums of money. The Bill will not attain its end, I know; and I have a pretty shrewd idea what the end is. The greater the number of people who can see the trough held out through the medium of this measure, the better for the Government.

The explanation goes on to say we shall not get much advantage from the rest of this Bill. In other words, the sections which go

Hon. Mr. DANDURAND.

towards assisting farmers who are overburdened with indebtedness, and also mortgage companies who have lent too much to farmers, will not benefit us much if we do not take hold also of what is a major objective, as set out in clause 4. It will be somewhat of a surprise to honourable members to find that the major objective has to do with the cities. This clause does, of course, give voice to the idea, now repeated by the leader of the House, that because the Government are taking hold of this it is a great movement to reduce interest. Well, I express the opinion that the Government can no more reduce the general level of interest, and fix that level, than it can reduce the price of bread, or of cheese, or of wheat, or of coal, from a natural level to an artificial one. The price of coal depends on demand for and supply of coal; interest rates depend on demand for and supply of money; and all this talk by the Government of taking hold and getting interest down is both deceit of themselves and deceit of the nation. They can get it down by lending the money themselves at the expense of the rest of the country.

Hon. Mr. DANDURAND: The companies will do it.

Right Hon. Mr. MEIGHEN: Only if it pays them; and if it pays them they will do it anyway. This measure makes their action pay better, because you are paying half.

I am not at all impressed, either, by the fact that this measure was carried by a huge majority in the other House. That is merely evidence that if you present sumptuary legislation which holds out the bait to all and sundry—if the arms are spread out and everybody is going to get something—it is almost impossible for a representative of the people to oppose it. Go on fixing interest! All you do is fix it at the expense of the country. Go on fixing this, that and the other thing! You are just every day taking kangaroo leaps into National Socialism and all it involves; and we are not nearly so far away from National Socialism as sometimes we think we are. We are moving steadily and inexorably towards the goal, and I ask the people of Canada to listen, if the Government will not—

Hon. Mr. DANDURAND: My right honourable friend might say the House of Commons, which represents the people, will not listen.

Right Hon. Mr. MEIGHEN: I am ready to let my honourable friend amend my remarks to that extent. As I said a little while ago, the Government have to be depended upon to hold strong rein to maintain the