

for those articles was 137.4. This year it is 194.7, or a difference of nearly 60 points. I am not very good at mental arithmetic, but that represents a very high percentage of increase. Seed, which is of course highly important to the farmer, cost last year 163.1, but this year has risen to 192.4. Fodder is an article on which the agriculturist of Italy is best off apparently; the price has risen only about five points, from 135.4 last year to 140.2 this year. On agricultural machinery, something about which we of the west have heard quite a bit in this house, last year the price was 246.4 and this year it has become 287.2. Various industrial goods have risen from 222 to 279.

With all the controls they have in that totalitarian country their experience is that prices have gone up in the manner I have indicated with regard to certain basic goods. That in turn is bound—you cannot stop it—to bring about higher prices for other goods, even with all their controls. We can do a great deal with controls, but I am convinced that we cannot permanently or for any long time keep down prices even under the best of circumstances. Italy is a country in which every circumstance is favourable to keeping down prices, yet I imagine those increases will total up to an average of 30 per cent on certain basic articles, which increases will, in turn, affect a great many other articles within a very short time.

I gather that Germany is having somewhat similar difficulties in spite of all her controls. There they are apparently fearing inflation. They are struggling their utmost to keep it down. I hope they fail; we all hope for that. My point at the moment is that they are having trouble. It takes this form. When they hold down prices, people just will not put the primary products on the market, and even with their controls they cannot force people to do so. Last year some 14,000 tons of cherry harvest came on the market as against 60,000 tons the year before. Only 46 per cent of the strawberry crop reaches the market. They have had a new decree recently trying to force these things on the market and have now named minimum quotas in respect of apples.

These totalitarian countries are having all that kind of trouble. Surely, then, we must realize that we cannot rely entirely on controls in this country to keep down inflation. This is no time to try any kind of a "perhaps" scheme in this country. We can keep down inflation only if all things are favourable. We would be mad deliberately to put into operation in this country any kind of scheme as to the inflationary effect of which there is

any doubt. It is all very well for a minority to believe it is not inflationary; they may be right although I am convinced they are wrong, but that does not settle the question.

I wish now to turn to something quite different, chiefly for the purpose of asking a question. I want to ascertain just what the situation is with respect to these compulsory savings. As I recollect, money paid upon a mortgage obviates the need of taking the money from the taxpayer to be refunded to him after the war; that is, payments on capital, not interest. I am concerned to make sure that the instrument which is much in use in western Canada, which operates substantially as a mortgage, namely the agreement of sale, is included in that provision. I know it is not in the wording, but I would draw attention to the desirability of that being done.

I would also call attention to the desirability of not fixing a rigid date for the mortgage, agreement of sale or similar instrument in regard to registration. I think the way in which the minister put this particular doctrine was something like this, that instruments which were registered as of a certain date would be considered. I suggest to him that there might be some revision in that connection, and I will explain the circumstances of certain cases which lead me to make this suggestion. We very often have mortgages arranged for the purpose of building houses. We have not been doing quite so much during the last few months under the housing act, though for a while building in Winnipeg was comparatively brisk under the provisions of that legislation. However, we always do have a certain amount of mortgage building. I know of several instances of people who have proceeded to arrange for the construction of houses, who have made arrangements for their mortgages and who are relying on progress payments from the mortgage company. Those people have everything arranged, but the mortgages may not yet be registered. Of course they will be registered before the mortgage company will give them any progress payments, but they have gone ahead with their building plans, having made all their mortgage arrangements. People like those are probably in the position now of having to pay something like \$40 or \$50 a month on their mortgages; yet if you insist on a certain date for the registration of those mortgages, those people simply will not be able to pay the mortgage and the income tax, and I do not know which they would let go. Therefore I think it would be well to take that situation into consideration. I am not suggesting that the date should be changed. I am suggesting that the government should