

*United Kingdom Financing, 1953*

I want to refer to one or two things that have happened recently. I want to refer to a speech made in this house on November 30 by the Minister of Trade and Commerce, in which he drew attention to various problems affecting us at this time. He referred to the difficulties encountered by various industries, and wound up by expressing on the whole, in his usual way, calm confidence as to the future. I understand, however, that when the minister was asked about the position of the textile workers when they were before a committee of the cabinet about the middle of November, he spoke to them in very plain words. He said, "I don't know how peace-time demand can be expected to take up the productive capacity needed in war". I think it is relevant to ask the minister whether that same answer would have to be given in the case of other industries as well.

The minister spoke with emphasis, and of course was quite right in referring to the fact that our capital expenditures were preserving employment and the whole economy, but we must always remind ourselves how much of those capital expenditures are government expenditures which are taken out of taxes.

I want to say just a word about the export market, and in this connection I want to refer to what the minister said, as reported at page 450 of *Hansard*, when he was speaking about the improved situation in the United Kingdom where restrictions were being removed, and also in South Africa. I have made inquiries about the South African situation, and so far as I can discover the restrictions that are left are so thoroughly adequate that our entry into the South African market is not going to be of any great practical importance to us for some considerable time.

There is one thing the minister overlooked entirely, and which I think should not be overlooked when we consider our position in foreign markets. I refer to the effect on our prices of inflation and high taxes. Certain other countries in the world have had more serious inflation, while others have had not nearly as much, and these countries may come into competition with us. We know that inflation and taxes have driven costs up very high. We have been given figures here which cause us to think. We know that the young housewife cooks on a stove, the cost of which has been greatly swollen because of our inflated money and high taxes. We know that the taxpayer who is driven to death by the tax collector is carried to his grave in a taxed coffin built with debased money which has been swollen also by inflation.

[Mr. Macdonnell.]

The minister prides himself on being an optimist, and he has suggested that other people are pessimists. He once called me a Cassandra. I deny that entirely, but I would point out to him that Cassandra was always right.

**Mr. Speaker:** Order.

**Mr. Macdonnell:** It would seem that there must be a necessary interlude in my speech.

**Mr. Speaker:** Order. I understand the Gentleman Usher of the Black Rod is at the door.

**Mr. Pouliot:** Mr. Speaker, I rise on a question of privilege. I do not see why someone should knock at the door when the hon. member is speaking. I think it is most discourteous to the hon. member for Greenwood (Mr. Macdonnell) to be forced to interrupt his speech, to prevent him from concluding in order to listen to someone who is banging at the door.

**THE ROYAL ASSENT**

A message was delivered by Major C. R. Lamoureux, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Right Honourable the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the house went up to the Senate chamber.

And being returned:

**Mr. Speaker** informed the house that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An act respecting the use of election material for by-elections and Northwest Territories elections.

An act respecting the appointment of auditors for national railways.

An act to amend the Pipe Lines Act.

An act to amend the Children of War Dead (Education Assistance) Act.

An act respecting the Department of Northern Affairs and National Resources.

An act to amend the National Parks Act.

An act to amend the Customs Act.

**UNITED KINGDOM FINANCING, 1953****APPROVAL OF AGREEMENT RESPECTING PAYMENT OF OUTSTANDING BALANCE OF LOANS**

The house resumed consideration of the motion of Mr. Abbott for the second reading of Bill No. 78, to approve the financial agreement between the government of Canada and the government of the United Kingdom.

**Mr. Macdonnell:** Mr. Speaker, I feel that the first part of this speech, which I think was only 13 minutes long, has been such a success that I should now propose to avail