

absolutely no reason for that at all. After all, the money system is merely a monetization of the real wealth that exists in the country; and the reason why the government has been obliged to obtain funds from the chartered banks, in addition to what has been taken from the people in the form of taxation and war savings, is simply that there is never sufficient money put into circulation completely to monetize the actual wealth of the country. It has been our constant contention that when the funds in circulation, the money paid out in the course of production, whether during peace time or war time, is insufficient to monetize all the goods, then additional money ought to be obtained from the Bank of Canada or from the government's monetary set-up, at cost. The fact that the government is going to be obliged to borrow \$1,228,000,000 during the ensuing year indicates that there is not enough money in existence, to begin with to monetize the complete production of the nation. Consequently I cannot see that it is anything but reasonable to suggest that the government itself should bring about this monetization at cost, rather than put the people as a whole into debt for the amount of this monetization plus the interest rates that are charged. I feel therefore that until this field is explored and utilized to the fullest possible extent, the people of Canada can never make their maximum contribution to the war effort.

Mr. LECLERC: I hold in my hand something that may prove to the exponents of easy money what easy money means after all. I have here a menu from a dining car plying between the United States and Mexico, and here are some of the different prices on that bill of fare: Fried fillet of fresh fish, tartar sauce, chopped beef steak, et cetera, \$1.20 in American money—this is printed in English and in Mexican—or \$6 in Mexican money. The next item is \$1.15 in American money or \$5.75 in Mexican money.

Mr. GRAYDON: Plus the tip.

Mr. LECLERC: The next is \$1.10 in American money or \$5.50 in Mexican money; and the 85 cent meal, in American money, is \$4.25 in Mexican. When you have to pull out a \$10 bill every time you have a meal with your wife you realize that easy money goes as easily as it comes.

Mr. FRASER (Peterborough West): When the national defence tax is deducted from the employee's wages now he is given a slip showing the deduction, but on that slip the man's name is not shown nor does the name of the firm appear.

[Mr. Kuhl.]

Mr. ILSLEY: I am informed that that is not correct.

Mr. FRASER (Peterborough West): Is the man's name on it?

Mr. ILSLEY: Yes.

Mr. FRASER (Peterborough West): How long does it take to get the refund? I understand that there are some cases that have been pending for about eight months.

Mr. GIBSON: I have already given one answer to the question of refunds. They are made at the end of the fiscal year after the returns for the entire year have been filed. There are a great many returns filed in April. The man's return has to be compared with the employer's, and sometimes with the returns of three or four employers, and it takes a good deal of time to get all the refunds checked and ready for payment. It is a new branch that has had to be built up, and actually it has not been working as rapidly at first as we hope to have it working in the future. It has taken some time to get these refunds made, and it will be a considerable time before the great mass of them can be paid.

Mr. FRASER (Peterborough West): I can understand that it will take a lot of work to get the branch set up, but in the meantime the workers are suffering a hardship. If the employer knows that the employee is not making, in the case of a single person, \$660, or, in the case of a married person, \$1,200, does he have to deduct the amount, or can he pass that up, or does he make the form as at the present time?

Mr. GIBSON: I am not quite clear whether the hon. member is asking about what happens under the national defence tax, or whether he is inquiring about the new budget?

Mr. FRASER (Peterborough West): The same situation exists under the new budget.

Mr. GIBSON: If the hon. member does not mind waiting, that will be dealt with under resolution 25.

Mr. HANSON (York-Sunbury): Are we still on resolution 1?

The CHAIRMAN: Yes.

Mr. HANSON (York-Sunbury): I call the attention of the minister to the fact that while he answered part of my allegations with respect to this resolution, he did not give the reason why there has not been a complete amalgamation of the two taxes. I asked whether it was not possible to combine the two taxes, to have refrained from bear-