

moving his amendment to the budget—and let me remark here that I always greatly enjoy his speeches—I want to point out that seventy-two new industries were established in Manitoba in 1946. This is a credit to the industrial development board of that province, but the regrettable feature is that only comparatively few of these industries were established in rural centres. Manitoba might well follow the example set by Ontario and see to it that her manufacturing establishments are located in many different centres of the province, particularly now with the advent of rural electrification. This is essential if the ultimate blighting consequences of centralization are to be avoided.

I have emphasized the points discussed so far, not because of any local colouring, except by way of illustration, but because of my belief that it would have been inexcusable had the finance minister not seen to it that our national debt was substantially reduced during the period of abounding prosperity in 1946. I trust that even with the levying of lower taxes there may be another drastic reduction in our debt in 1947. Why? Simply because that very fact will make possible still lower taxes each succeeding year. I am absolutely opposed to excessive taxation in any form, though I was always aware that the obligations of war would remain with us long after hostilities had ceased. I am also aware that taxation can become less only when the expenses of the state are curtailed. In this respect I am glad to note the tendency to reduce along many lines, including the number of so-called experts in some government departments. I am heartily in accord with an editorial which I recently read in a leading magazine, and which concluded as follows:

This is a time for governments to do less and individuals to do more—a time for more production and less regulation—a time for converting not only the sword but the filing cabinet into the plowshare.

Therefore I am sure that to every Canadian the minister's announcement of lower taxes will be welcome. I have no doubt whatever that to have continued the recent high rates of taxation would have meant a serious set-back to this country. There is a distinct limit to the taxation a country can bear without dulling initiative, lessening production, diminishing returns and creating economic chaos. It is a healthy augury when the taxpayers have the courage and intelligence in the matter of taxes to say to any government, "Hitherto shalt thou come, but no further". A Canadian economist recently expressed the case in these words:

Is it wise to discourage thrift, to put a high premium on spending? Should we rob posterity

[Mr. J. E. Matthews.]

to maintain the dance of today? Saving has a social value. The loss to society would be great if saving ceased to be a virtue. We have reached the stage where the emphasis is almost entirely on spending. Will this policy bring real gains? It is very doubtful.

I am not going to discuss controls except briefly, even though they have a direct bearing upon the financial situation of Canada. That controls played a tremendously advantageous part in this country during the war no one will dispute. I hope to see controls steadily discontinued, not all at once but one by one, as speedily as conditions will warrant. This might result in some temporary dislocation of prices, but it would be only temporary, because greater production resulting from the removal of price controls would prove the best remedy for inflated prices. Give us an abundance of commodities and prices will take care of themselves. Most of the control regulations were fair and well advised. In my judgment, a few were, and still are, grotesque in their stupidity, and I shall have something to say about them later on.

In the matter of rent control, I am aware of the ruthlessness with which some property owners would have soaked tenants during and since the war years had there been no controls. I am also aware of the callous treatment accorded by some tenants to owners. I have in mind particularly cases of men and women advanced in years who in the past had demonstrated their faith in Canada by investing their surplus—often a small one, it is true—in residential property. I need not rehearse cases, as I could by the score, of the raw deals handed to elderly people who in some instances were relying upon those rentals for their livelihood. In many cases their hands were tied, and securely tied, against any rent increases. No matter that taxes were raised, that costs of maintenance were raised, costs of labour raised, costs of food and clothing raised, everything else raised; those elderly people were compelled to struggle on as best they could, with no redress. I stand for the right of any owner to have access to his own property. I am glad to see that a start, though not a very great one, has been made in this direction. I want to see regulations adopted under which proved rental injustices on either side may not be permitted longer to exist.

In closing, Mr. Speaker, may I once again tender my sincere congratulations, this time not to the finance minister but to the Canadian people, on having such a strong man guiding our financial destiny. A well known writer has said:

There may be little doubt that we as a people are going through years of decision. Yet there are many signs to give confidence that