

means that, by comparison with gold, all other property and goods have become cheap. The immense fall in the value of everything has bankrupted industry and finance. The money value (in gold) of investments, securities, stores, and the products of industry and agriculture has collapsed until it is no longer worth-while commercially to make things or grow them for sale. Hence the world to-day is faced with that industrial stagnation and financial bankruptcy of which I have given illustrations in my introductory chapter.

This book was published in 1932. Again, he says this:

Countries which were devastated and exhausted by the war and countries which on balance profited by the war are alike suffering, and they find that the tale of Midas ought to have taught them that gold is indigestible. It may be all right in the teeth of a nation, but it should not be allowed to travel any further.

I see a danger in articles of this kind. If those who are opposed to the gold standard are to be branded in the press as fifth columnists, there may be trouble ahead. I should like to tell the writer of this article and the editor of the paper that there were opponents of the gold standard before Hitler was born, and certainly before he was heard of.

In conclusion, may I ask the Minister of Finance if he can assure the committee that there are no financial limitations whatever on our war effort, and that the methods adopted to finance the war will not lead to such conditions as are described by Mr. Lloyd George in the book from which I have just read. Also, could he tell the committee briefly the purpose of the visit to this country of Sir Otto Niemeyer. According to the press, Sir Otto Niemeyer, accompanied by a large staff of assistants, came here a couple of weeks ago and intends to stay for some weeks or months. I understand that he is a director of the Bank of International Settlements, of which institution there are at the present time both German and Italian directors. I suppose that his visit has no connection with this article, which may or may not be inspired.

In this connection I might quote one further line from Mr. Lloyd George's book. Referring to Mr. Montagu Norman, who of course is governor of the Bank of England, of which Sir Otto Niemeyer is a director, and with regard to a trip which the Right Hon. Stanley Baldwin made with Mr. Montagu Norman to the United States in 1923 to open negotiations for the funding of the British debt, Mr. Lloyd George says:

It was a bad combination. No worse team could have been chosen. Mr. Montagu Norman is the high priest of the golden calf and his main preoccupation was to keep his idol burnished and supreme in the Panthéon of commerce. In his honest view it was the only god to lead the nation out of the wilderness.

Would the minister tell us what is the mission of Sir Otto Niemeyer?

Mr. ILSLEY: Sir Otto Niemeyer came to see the Bank of Canada, not the dominion government. I understand that he came for the purpose of discussion of some matters of interest to the two banks, that is the Bank of England and the Bank of Canada—probably matters relating to foreign exchange control.

Item agreed to.

General.

76. Unforeseen expenses, expenditure thereof to be subject to the approval of the treasury board, and a detailed statement to be laid before parliament within fifteen days of next session, \$80,000.

Mr. BLACKMORE: Would it be in order, before the vote for the whole department is passed, to revert to one item which was passed before I was aware how rapidly they were being passed. I should like to discuss a matter which is appropriate to item 57, if it would not be entirely out of order. I was listening attentively, but I could not tell what numbers the chairman was calling.

The ACTING CHAIRMAN (Mr. Jean): The item under discussion is 76.

Mr. BLACKMORE: There is one matter I should like to discuss under item 57.

Some hon. MEMBERS: Go ahead.

The CHAIRMAN: Very well.

Item agreed to.

Old age pensions (including pensions to the blind).

57. Old age pensions, including pensions to the blind, administration, \$41,090.

Mr. BLACKMORE: Could the minister give us any information about the petition which was presented on June 14, regarding old age pensions, by the hon. member for Comox-Alberni (Mr. Neill), and signed by 57,409 petitioners from Ontario, Alberta, Manitoba, Saskatchewan and British Columbia? Has any provision been made, or any action taken by the minister?

Mr. ILSLEY: The petition was to lower the age at which persons would be eligible for old age pensions. Is that the petition to which the hon. member refers?

Mr. BLACKMORE: Yes.

Mr. ILSLEY: The provision for old age pensions is based, as before, upon the seventy-year age. It is not felt this year, with all the financial demands there are upon the government, that we could lower the age limit to sixty or even to sixty-five. There are other