

*Motion Respecting House Vote*

will try to place the blame for this on the fact that the government was defeated on its 5 per cent surtax proposal. But let members of the government blame whomever they like: They have spent the money foolishly. It is the duty of the legislators to tighten the purse strings.

It is interesting to note what a recent convert to the Liberal party had to say in this regard. In 1963 the hon. member for Medicine Hat (Mr. Olson) had very strong views on the right of parliament to control the purse strings. As recorded in *Hansard* of July 15, 1963, at page 2189, the hon. member, in those sanctimonious tones which he is quite capable of using, said:

—in other words if the right to control the purse strings were taken away from members of this house, we would have reached a stage where a most important part of the rights of those elected to parliament would have been removed.

I wonder why he does not speak in this debate—because parliament has taken away the right of taxation from the government. Now the government says that the vote on Monday night last does not count. Members of the government say: We are going to erase that blue Monday, right off the calendar, and we are going to do it all over again. In other words the government has no respect for parliament. The board of directors has no respect for its shareholders. The executive has no respect for the people of Canada, when they speak as members of this house. Of course when speaking of the hon. member for Medicine Hat I must point out that at that time he was a Social Creditor. Since that time he thought he had better get on the bandwagon, and he jumped from the fat into the fire.

Speaking on the same subject, on July 23, 1963, as recorded at page 2538 of *Hansard* the hon. member for Medicine Hat said:

—why in the name of common sense cannot the Minister of Finance and the federal treasury go directly to the Bank of Canada, which is a publicly owned institution, and get the money there in the first place?

Well, Mr. Speaker, that is about what they are doing today when they are asking for this \$400 million loan from the I.M.F. Maybe the hon. member for Medicine Hat is happy on the one hand with that, while defying the principle and power of parliament on the other.

The Canadian people will now have to be taxed to pay off this loan from the I.M.F. raised by this government. What is the position of the Creditiste group, who have made a great deal with this spending government? They are going to have to approve of the

taxation to pay the interest on this I.M.F. loan, because they are going to vote confidence in the government. The Creditistes will have to say to their people in Quebec: You have got to pay the taxes the government is asking; you are going to have to pay the interest on this loan from the I.M.F. Surely their constituents will not be particularly happy about that. If they are the same as my constituents, they cannot help but feel that they are already taxed enough, particularly with a government that has been spending so freely, that has an expenditure never before equalled in the history of Canada, that has been spending on goods and services that are not adding to the growth of the gross national product in any way, shape or form.

• (9:20 p.m.)

We refused to allow the 5 per cent surcharge tax increase in addition to the 10 per cent tax increase of a year ago. The Creditiste party think it should support this. That does not really matter because parliament has restricted the government from taxing the people further. It does not make any difference whether they borrow money from the International Monetary Fund, or from the Canadian people by floating a bond issue: The government has not got the right to spend any more money, because the Canadian people have said the government has gone too far. That is exactly what parliament did on Monday night.

We in the Conservative party have been criticized in the press for not wanting to defeat the government. It has been suggested that members of this party have not attended the house because we were afraid to defeat the government. Now that we have defeated the government let us hear the members of the press state quite frankly that we have done the right thing.

It is all well and good for the Minister of Finance to say that we should not have an election now, but he is saying this because he knows he has got Canada into the worst financial crisis it has ever known. We have on the one hand tight money and on the other hand the highest interest rates we have known. We have banks sending out notices to customers saying they now intend to charge 8 per cent interest. Just over a year ago this government took the ceiling off interest rates, which at that time stood at 6 per cent. The government did this, as it said, to allow more money into circulation to drive the interest rates down. Exactly the reverse has happened. I remember that some time ago a former minister of