

and left the poor in destitution, it is not surprising to see communism taking hold of that country.

Besides, even in India, a country on which we are lavishing assistance, what Indians are benefiting by it directly? None. There again, businessmen who make profits at the expense of human lives.

I went to India just two years ago. I have seen what is happening over there. I did not see any 25-cent Canadian coins in Bombay, where two million people sleep outside at night. None at all! We have not helped the people, we have helped some businessmen.

I believe it is time, if it is not too late, to think of helping the individual. We will then prevent the communist catastrophe, the revolution growing in Quebec and elsewhere in Canada.

In our capacity as responsible members of a sovereign Parliament, it is time we bring order in our finances, so as to free the human being. Then, as I said before, we will ensure the security and the freedom of every citizen.

• (4:20 p.m.)

[English]

**Hon. J. W. Monteith (Perth):** Mr. Speaker, I should like to congratulate the last speaker who participated in this debate, because at least two-thirds of what he said was right. His speech was entertaining and forceful, but unconvincing. He suggested that if he were given some additional time he would be able to convince the members of the House, and Canadians as a whole, of the correctness of Social Credit theory, but I am afraid he left me unconvinced. I do not expect to be lengthy in my remarks. I merely wish to show that the Conservative party is at least consistent. On November 6, 1962 we opposed a motion to this effect—

**Mr. Francis:** I think I remember it.

**Mr. Bell:** A lot of people remember it.

**Mr. Monteith:** Yes, a lot of people remember it. The motion called for debt free money. The Conservative party at that time opposed this particular motion and they are opposing it today. It is interesting to note that on November 6, 1962 the Liberals voted for debt-free money.

**Mr. Bell:** Shame.

**Mr. Monteith:** The motion itself reads:

That, in the opinion of this House, in view of the Government's inability to effectively combat the frightening increase in the public debt—

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### *Suggested Interest-free Loans*

So far I agree. I think it should be stressed that this situation is one of the government's own creation. The huge increase in debt in the last few years, the huge increase in taxation and the increase in inflation have been caused by government mismanagement. World-wide conditions have been difficult to combat. I admit that. Since 1965, this government has been heading into the situation in which we find ourselves now. Today, we have a situation in which the government is at least suggesting controls. There are implied guidelines. Presumably, the government is on an austerity kick, although expenditures for the year ending March 31, 1971 are some 9 per cent higher than for the last fiscal year. I call this irresponsibility on the part of the government. When this debate on debt free money came up today, I recalled the debate which took place in November, 1962. I should like to point out that the following appears in *Hansard* of that year at page 1331:

The tight money policy which was introduced as part of the austerity program, and by this I mean restrictive credit and high interest rates, was bound to slow down business activity. High interest rates were bound to make it difficult for municipalities to proceed with badly needed works and services. This, in turn, could not fail to slow down construction and this is bound to mean fewer jobs this winter.

But instead of worrying about a program which would lead to the employment of more people in this coming winter, the government seemed much more anxious to placate those who had moved their money out of Canada and to beg them, in the form of high interest rates on their investments, to bring it back. The effects of the government's tight money policy are bound to fall most heavily on small businessmen and on those parts of the country such as the maritimes and the Minister of Finance's own province of Nova Scotia where capital is especially hard to come by. Why we should go on punishing our own people in this way is beyond my comprehension. But that is what we are doing under this emergency tight money policy.

Those are the words of the Hon. Walter Gordon. I suggest that those words apply today. I feel convinced that the Minister of Justice (Mr. Turner), who listened intently to the last speaker, will probably vote for this motion again today. Since the members of the Liberal party voted for a similar proposition in 1962 they will probably be quite ready to support it today.

**Mr. Bell:** They have nothing to gain today.

**Mr. Monteith:** My purpose in speaking today is to point out that I feel this is the wrong approach. I admit that an approach should have been made back around 1965, but