

Tight Money Policy

Therefore, Mr. Speaker, I move, seconded by the hon. member for Edmonton West (Mr. Lambert):

That all the words after "that" be deleted and the following substituted therefor:

"The policies of the government in imposing tight money and denying builders and prospective home-owners needed mortgage funds, constitute a negative approach to the problems facing our economy and are seriously impeding the development of the nation."

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I must say it was a little difficult, as the hon. member for Northumberland (Mr. Hees) was speaking, to know on exactly what spot he was going to land. His speech was extremely general. His amendment, of course, is quite specific.

I have an idea that the proposals that are made to deal with the ills in our society tend to be somewhat simplistic and perhaps they are largely matters of semantics. Ever since I came to the House of Commons I have heard opposition members—and this applies to both major parties—attacking governments of the day for tight money policies, and I have always had great difficulty in getting this defined for me.

I look at the reports of the Bank of Canada and of the Dominion Bureau of Statistics and I see that the total money supply continues to rise. It may rise at varying rates but it is a fairly steady rise. I see interest rates go up but it appears sometimes that they do not have very much effect on total money supply. I suspect, Mr. Speaker, that our troubles are more deepseated. We have had, as the Minister of Finance (Mr. Sharp) has been telling us—in fact, he told us this with great fervour during his budget speech—the longest uninterrupted period of economic expansion in our history.

● (4:00 p.m.)

At the same time, however, we must face the fact that in spite of that and because of that—and this is very serious—we still have very large pockets of poverty in our country; we still have a stubborn level of unemployment.

An hon. Member: A stubborn government.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Yes, and a stubborn government which we are not able to do much with. I remember that when the Conservative government was in office there was the same stubborn note of unemployment with which that government was unable to deal. When

we are committed to this method of organization our society really is not able to deal with the problem of unemployment. When these parties tell us the whole trouble is tight money, then I suspect they are merely trying to beg the question. I have long suspected that their preoccupation with economic expansion and economic growth is to some extent at least an escape mechanism to avoid the problem of maximum distribution in our society. Neither Liberal nor Conservative governments has been very successful in dealing with that.

I notice that the Conservative party apparently is now prepared to depart so far from its traditional point in support of free enterprise as to insist that insurance companies shall be required to invest their funds where the government of the day decides they are needed. I am all in favour of that, of course, but I would go further and abolish the insurance companies. In this day and age I think it is a piece of nonsense that we allow private racketeers to enter into the business of collecting the savings of the Canadian people and investing them where they will. At every session including the present, we have a whole string of applications from those who want to get in on this nice little gold mine.

I wonder how long sensible people will permit this. I wonder whether the time has not come when we have to evolve a different method of pooling the savings of the Canadian people and investing them in the development of our country. I am hoping that before this session is over the present Minister of Finance will present to us the legislation to deal with the Canada Development Corporation which his predecessor brought before us during his term of office.

I would hope that the Canada Development Corporation as now envisaged by the present government perhaps will be an improvement on the suggestions made to us during the tenure of office of the last minister. At that time it appeared to me it was to be largely a private investment pool a mutual investment pool, if you like, in which again those who have would get a little richer, leaving those who have not in the same position. I would hope the Canada Development Corporation would be devoted to pooling the savings of the Canadian people as much as possible and investing them under public auspices in various sectors of our economy. Only in this way, I think, are we going to assure that we get the sort of thing the hon. member for Northumberland was speaking about, such as an