

mystery where you did not understand it at all. Under such conditions it would be hard for me, a plain business man and a humble member of this house, to say that I understood all the complex theories and problems of finance to-day. The hon. member for Vancouver-Burrard was not so sure this afternoon; he was willing to admit that there are two sides to the question, but last night the hon. member for Parry Sound (Mr. Slaght) was rather sure that he had an easy way to finance this war.

Since this matter is one of more or less mystery, let us reduce it if we can to the simple things of life, so that he who runs may read. While at present I am addressing members of this house, we must remember that we are here for the purpose of informing the country, and that all the people in the country are not as well informed or as alert as members of the house. In the last few days we have been discussing here ways and means, and we have now Bill No. 110 which gives us a lesson on values for duty. In this bill I read this:

Spirits: On every gallon of the strength of proof distilled in Canada, except as hereinafter otherwise provided, nine dollars, and so in proportion for any greater or less strength than the strength of proof and for any less quantity than a gallon.

The value for duty is based on the alcoholic content of the strength of proof. Would anybody suggest that by adding to a gallon of these spirits a gallon of water you would have any more spirits? It is true it might make it more palatable, but you have no more of the intoxicating ingredients than when it was of its original strength. Inflating the money is watering the money. Or, take for instance, a farmer. There is little rain and the pastures are getting dry. Suppose this farmer who has milk customers in Ottawa said, "I have not enough milk from the cows to supply my customers; I will put the can under the pump, pump the can full of water and take it to the city." He has no more milk, but he has more quantity and can supply his customers. If, however, he did that he would be committing a criminal offence and would be brought before the courts. He is doing nothing more than diluting the substance which he is selling to the people.

The hon. member for Parry Sound talked inflation. There are different methods of inflation. Take corporations. A corporation that has a stock structure and waters that stock structure for the purpose of making greater profits, without having other assets, is watering the stock. Watering the stock and watering the money are similar things; one is a creation of good times and the other a

[Mr. Kinley.]

creation of bad times, but they both want something for nothing, something for which other people must pay.

The hon. member for Parry Sound in what was apparently intended to be an intellectual argument on money reform rather descended I thought to the level of a stump speech, because he said in effect that the government was afraid to put extra money into the hands of the people. This is what he said yesterday, as reported at page 4266 of *Hansard*:

Let me now return to the question of inflation. By inflation is meant that you are putting too much cash in the hands of the people of this country, particularly the working people and the farmers, and the 85 per cent that are termed the very modest earners; you are giving them too much money, and they will go and spend it. Will any of my hon. friends tell me, . . .

Then he exhibited a \$100 bill. Well, we will do nothing of the kind. The workingman will have to work for every dollar he gets notwithstanding that it is inflation. Hon. members of the Social Credit group are more frank about the matter. It will be remembered that they were going to give this money away to the people, \$20 a month as a bonus—

Some hon. MEMBERS: Twenty-five dollars.

Mr. KINLEY: Twenty-five dollars a month as a bonus. They never gave it, which is to their credit; but when the hon. member for Parry Sound tries to make a point that the government is afraid that there will be too much money in the hands of the people he is not only doing them an injustice but doing an injustice to himself as a lawyer of great ability. We know that wages are frozen in this country, and he would add to that the indignity of giving the labourers of this country diluted money.

We have heard a great deal about these money schemes that come before us from time to time. Yesterday the hon. member for Parry Sound exhibited a \$100 bill, and told us it was a promise to pay. That is true. But if you put that \$100 bill in the bank, at the end of the year you can collect a year's interest. Our friends of the Social Credit group issued money too, and I have here—I have had it in my pocket for years—what they call a prosperity certificate, \$1. These are the terms upon which this certificate was issued by these money reformers, who would give everyone plenty so that there would be abundance in the country:

The provincial treasurer will pay to the bearer the sum of one dollar on the expiration of two years from date of issue hereof upon presentation hereof, provided there are then attached to the back hereof one hundred and four one-cent certificate stamps.