

The Address—Mr. Thompson

personal loans by banks and credit unions, is \$2,702 million. That makes a total of almost \$19 billion in just five years.

It is useless to pretend that the Liberal party has any better record than the Conservatives when it comes to incurring debt. Under a succession of Liberal administrations Canada's national debt increased between January 1, 1939 and December 31, 1956, a total of no less than \$10,898 million.

An hon. Member: There was the war.

Mr. Thompson: You say it was the war. That is true; but most of that debt was incurred during those years. You say it is permissible to go into debt during a war, but some say that after the war the debt was reduced. I deny that statement.

At the commencement of the last war members of this party protested most vehemently against the adoption of a method of war finance which would plunge the country into debt. They pointed out that a government which had power to issue a bond also had power to issue dollar bills and credit. Had it not been for the inflation that this method of war finance entailed, it would not have been possible for the Liberal administrations to carry on as well as they did in the years after the war.

As it is, we must place fairly and squarely upon the Liberal administration the responsibility for the greater part, although by no means the whole, of the crushing burden of this country's national debt. As an example we can look at the Liberal administration in Quebec. In two years it has increased the debt of the province of Quebec by more than it was increased during the previous 93 years history of that province.

How can private enterprise be established and strengthened by robbing incentive and initiative, by tight money, high interest rates and by reinforcing the hand of vested interests and monopolies? The Prime Minister has said that the issue prior to the last election was private enterprise versus socialism, but this is not the issue if private enterprise is expected to live under present trends when those who claim to be the champions of private enterprise become the apologists for socialism.

An outstanding example is the equalization of taxation on private and public utilities which, at the present moment, is an issue in the province of Quebec under a Liberal administration. If users of electricity, who buy their electricity from private companies, can be expected to pay the increased cost of their electricity, and those who buy their electricity from public companies do not have to pay the tax placed on private companies,

how can you expect free enterprise to survive? Why should the users of private electricity be subject to the payment of a tax which the users of public electricity do not have to pay? Not only is tax equality urgently required but it would also create a great incentive towards more development.

We now have a royal commission on taxation, but we in this party maintain that we cannot wait for tax reform upon the findings of a royal commission, which may not be produced for two years or more.

I am pleased to note that it has finally been decided to go ahead with the development of the Columbia river project. The recommendations which the government of British Columbia has been pressing are nothing more than a practical business approach. To refuse to export power which is a continuing energy resource, as long as the rains fall and the rivers run, is completely incompatible with the policy which permits the export of expendable resources such as oil and gas. However, it is interesting to note that the export of power in this case concerns power which is not even generated in Canada. Rather, it is extra power generated in the United States at the Libby dam and returned to Canada on a share basis.

It is hoped that the government will also see fit to play its part in immediately going ahead with a two river project. This is vitally needed by Canada if our industries are to expand and if there is to be any hope of increasing employment. I would also remind the government at this time that any hope for a useful national energy grid will depend largely upon the immediate development of both the Peace and the Columbia rivers.

I was pleased to note that the Prime Minister has given the house an assurance that legislation will be introduced in accordance with the practical recommendations of the O'Leary report as it relates to the magazine publishing industry in Canada.

The speech from the throne states that Canada's prosperity and growth must ultimately rest in large measure upon its exports. May I ask how we can increase our exports while at the same time we build up higher tariff walls? The only true basis of international trade must be the exchange of goods. Canada's prosperity and development depend on our ability to grow and on the ability of the Canadian people to use that which they are able to produce. We must expand if we are going to live. Social Credit regards continuing progress as being dependent upon new development and growth, and it is a basic law of divine creation that our trade and economic functions must be directed to this end.

Therefore we say that the prosperity and development of Canada depends on a trade