

The recession is here . . . a decline in production is taking place this month.

That was on April 24, 1947. *Moody's Stock Survey* of April 26, 1947, refers to "a business contraction of disturbing proportions".

*Business Week* of April 26, 1947, states that:

. . . though incomes have been rising right along for most people they long since were left behind by prices.

The *U.S. Journal of Commerce* also reports that wage rates are about twenty-one per cent "out of line" with prices.

These are warnings that we cannot well disregard. People may say that preaching a depression is apt to bring one on. Nevertheless the facts are there, and no less a person than the Minister of Finance himself has cautioned us against one. Therefore it is high time that we began to revise our financial system, and the people of Canada would do well to review the economic history of the Liberal party and of the Progressive Conservative party. If they do so they will find that the facts of history are these, that no matter which party was in power it has always led us into a depression. If we are to travel the same road again it does not take any great intelligence to foresee that we are going to come out at the same place. We have had all these warnings and the people of Canada would do well to take the advice I am giving. I also suggest that if the hon. member for Montmagny-L'Islet wants to come back to this house he had better mend his ways and learn a little about social credit.

Mr. GAUTHIER (Portneuf): You think you are the best judge of that.

Mr. JOHNSTON: Well, he seems greatly worried about it and I am simply giving him a little fatherly advice. I shall not have time, Mr. Speaker, to enter upon another subject in which I am particularly interested.

Mr. DEPUTY SPEAKER: By unanimous consent the hon. member may proceed.

Mr. JOHNSTON: Then, with the permission of the house I shall make a brief reference to the agreement of sale which is being presented to returned men and civilians who are taking advantage of the government's wartime housing programme. I have the agreement of sale in my hand. I made some reference to it the other day, but I did not have a copy then and have received this since from the Central Mortgage and Housing Corporation.

First, let me say that proper consideration should be given to these men who offered

their lives in the defence of this country, some of whom have come back crippled. Due consideration should also be given to those civilians who are building homes under this programme. The returned men offered their lives for us unconditionally and for not very much pay. I am not comparing their pay with the pay that was given by other countries, but generally speaking I say that they did not receive very much pay for what they were called upon to do.

Under this agreement of sale which I have received from the Central Mortgage and Housing Corporation, the returned man or the civilian is forced to pay 4½ per cent interest compounded half-yearly. In my view that is too high a rate for these men to pay. It should be not more than—I emphasize that, not more than—three per cent simple interest. When we sold victory bonds to the people of Canada we did not give them 4½ per cent interest compounded half-yearly. That rate should be changed to three per cent simple interest.

But that is not the major fault I find with this contract. The veteran who is building a home under this contract must sign this agreement. It is the only one presented to him. The government may say that it is just the standard agreement of sale. I agree that it may be the standard agreement of sale, but surely we should have some consideration for these men who offered their lives for us in the last war and have come home and are endeavouring to start up anew by buying a home for themselves. I shall read two clauses, so that hon. members may judge them for themselves. This one is taken from page 5 of the contract:

And also that he will give up possession—

That is referring to the purchaser.

—of the said lands on breach made in all or any of the covenants herein set forth without any notice to quit and without the vendor bringing any action for ejectment. And that, on such breach, these presents (at the option of the said vendor) shall be void without any recourse whatsoever by the purchaser either at law or in equity against the said party of the first part for or in respect of any matter or thing in those presents contained for the recovery of any moneys paid by the purchaser under or in pursuance of this agreement which payments, in the event of any breach by the purchaser of any of the covenants aforesaid hereby declared, shall be retained by the vendor as and for liquidated damages and not as a penalty.

Under this clause of the agreement, if a veteran should slip up on any one of his payments—he may have paid them all except the last one—if for any reason, perhaps by losing his job, he could not make that last payment he would have no equity in the house and no recourse to law. He has to give up