government will be paying close to 5 per cent for short-term money, whereas this municipality was issuing 25 year debentures at 3.71 per cent.

Now unlike the long-term bonds, these short-term bonds have no callable features. The holders can cash these bonds at any time but the taxpayers must raise the money to pay the high interest rate on these bonds right down to the wire in 1971. Again I say in the short-term bonds, just as the minister did in the long-term bonds, he is tying the hands of future governments. If the callable feature were present, a future government could call in these bonds and re-issue them at a lower rate of interest during a period when it was more favourable to borrow. The government of the Right Hon. R. B. Bennett did this very thing. They called in bonds and saved the Canadian people millions of dollars.

The minister might argue that we cannot expect money to be obtained at the same low rate it was in the thirties. He might argue also that these bonds would not sell as well if they had this callable feature in them. This argument does not hold water because in the early fifties the former government refunded some of their bonds and those bonds had a callable feature. If the former government could do this with bonds at $2\frac{3}{4}$ per cent, why cannot this government do it with bonds yielding 5 per cent or more? This type of financing has resulted in making the short-term market a high interest rate market while the long-term bond holders, for the most part, have bonds bearing a lower rate of interest. The depressed market for these long-term securities is likely to continue because of the high mortgage rate and because of these new bonds that will soon be issued.

I grant that these new bonds are not negotiable in the sense that they can be sold on the market, but they do continue to depress the value of long-term bonds already held by the public. This new type of financing adds more and more progressively to higher annual interest payments. As I stated a few minutes ago, this interest rate goes up from $4\frac{1}{4}$ per cent to $4\frac{1}{2}$ per cent to 5 per cent, and our annual interest payments will also go up. In order to give hon. members some idea of what our annual interest payments are, I note that on March 31, 1957 the interest on the matured debt stood at $437 million; on March 31, 1961, it was $628 million, up almost 50 per cent. According to the estimates for 1956-57, payments for other liabilities in connection with debt amounted to $80 million, and in the 1960-61 estimates this total stood at $145 million, up almost 50 per cent. I understand that this item is up somewhat more this year.

Then, if we go to the estimates of 1956-57 again, we find the annual amortization on bonds, discounts, premiums and commissions, amounted to $11.3 million, whereas in 1960-61 estimates it is shown as $33.3 million, up 300 per cent. Now, these are wonderful years for those drawing commissions, but they certainly are not for the taxpayers. The other night the hon. member for Leeds said that the Prime Minister and the Minister of Finance had been in his riding before the last election. They promised help to the provinces and to the municipalities. The hon. member then referred to the fact that the urban municipalities in his riding all had increased their tax rates since that time. I can say that all the municipalities in the Niagara district have had substantial increases in their tax rates since that time. One reason for these substantial increases in tax rates is that they have had to pay a higher rate of interest on their debentures. I know that some money has filtered down to the municipalities through the provinces. The municipalities have received some increased payments, but this has been more than eaten up by the extra interest they have had to pay as a result of the fiscal policies of this government.

Now, the Prime Minister made many promises and I think the ones he made in Welland were probably most interesting from a local point of view. I was told by some people who were there that he spoke very emotionally and said that he could not see why the former government had been so callous as to allow unemployment. He also spoke very feelingly to the farmers and condemned the former government because they had allowed the price of asparagus to fall, because of imports, from $22\frac{1}{2}$ cents to $21\frac{1}{2}$ cents a pound. What has happened since? Unemployment has never been so low as it was at that time. When he spoke feelingly to the farmers he may have meant it, but in their next crop year they did not get $22\frac{1}{2}$ cents or more for their asparagus; they got 14 cents a pound plus a 3 cents deficiency payment from this government, which deficiency payment cost over $100,000 in total to these growers

I suggested previously that if the Prime Minister would come back to Welland he should let us know and we would get out a band and they could play, "O Promise Me".

An hon. Member: Very funny.

Mr. McMillan: Last year the Prime Minister said the underbrush was cleared away and he was almost ready for the tall timbers, or something to that effect. I think the Prime Minister may be in the woods at the present time, but the Minister of Finance is certainly still in the underbrush—