

that—but when he says the Minister of Finance deliberately loaded the sales to favour the wealthy and thereby give the wealthy a privilege, then I submit that offends all the basic rules of parliament. I ask that it be withdrawn because it is completely untrue in every particular.

Mr. McMillan: I will withdraw, Mr. Speaker, but if the minister did not do it deliberately, he did not know what he was doing. He must have known what he was doing because now he says the provinces are doing it deliberately.

Mr. Fleming (Eglinton): If I may deal with that point, I would say that the point is the hon. member has said the Minister of Finance deliberately rigged the rules in order to favour the rich. This is an offence against the rules of this house. He says this was done deliberately.

An hon. Member: He did withdraw.

Mr. Chevrier: There is no point of order.

Mr. Deputy Speaker: The rule, of course, is that a member may not impute motives to another. I may say that in my opinion the words used by the hon. member did not directly impute a motive to the minister. If an hon. member says somebody did something deliberately which in itself may not be wrong, I do not think that infringes the rules of the house.

Mr. McMillan: I should like to make a short reference to the 15 per cent tax which will be placed on dividends accruing from bonds owned by non-residents. During the last three years this government has taken all the loose money available. This was done to meet the cash requirements, to meet deficits and for other obligations. Premier Frost of Ontario has said that the provinces and certain municipalities have had to go to New York to borrow money. This has been done in spite of the warning of the Minister of Finance who said it was dangerous to do so. I agree with the Minister of Finance that it would be dangerous for them to do so because they might have to pay back these obligations at some time in the future when the exchange rate was against them. However, if the municipalities had not done this we would have had more unemployment than we have.

If United States money is lent on provincial, municipal or other bonds at 6 per cent, it will only return to the lender 5.1 per cent; at an interest rate of 5.5 per cent it would only return 4.67 per cent. In order to get 6 per cent net a bond would need to yield over 7 per cent. Unless the minister

withdraws from the money markets to a greater extent than he has in the past there will be only two courses open to the provinces. The first alternative will be to cut down on their capital expenditures, delay them until some future time. The second alternative would be to pay an interest rate sufficiently high to pay for this tax in whole or in part. This would mean that the minister would be taxing the provinces and the municipalities on their capital expenditures, and I do not believe this is right.

In so far as this tax will make less money available, it will tend to increase interest rates. I would predict now that if the minister goes to the money market, as he has in the past, the interest rate on our federal bonds will go up to 6 per cent or beyond and the rate on provincial and municipal bonds will go correspondingly higher.

Lately our ministers have been going out from Ottawa on a kind of crusade to find fault with members of both opposition parties. I feel their time could have been better spent in Ottawa rather than making political speeches. If the cabinet gave us good government, then politics would look after itself. I do not believe the ministers should embark upon such a crusade as they have done within the last week or two. They might have been better employed in Ottawa carrying on the business of government. I feel that they have been talking to more or less hand picked audiences. I should like to invite them to come to my part of the country to Windsor, Hamilton or Toronto and try to make the statement stick that there is no emergency in unemployment, particularly if the unemployed are allowed in the door. I think these ministers would be better employed in Ottawa trying to find jobs for men rather than trying to tell the people there is no emergency in unemployment.

Finally, Mr. Speaker, I believe also that the different members of the cabinet should be helping the Minister of Finance in a department in which we have a continuing and chronic emergency.

Mr. J. R. Keays (Iles-de-la-Madeleine): Mr. Speaker, a debate such as we are having here tonight allows each member of this house free and independent expression of ideas and I am, therefore, pleased to take part in this debate. I should like to speak on topics of interest to this house, namely the economic, monetary and fiscal policies of this government. The budget which was presented last December has been qualified by many adjectives, a few of which have been less than commendable but most of which should have been gratifying to the Minister of Finance (Mr. Fleming). The adjective which struck me as being most applicable was the word