

home and locked up the House of Commons; for in part the nation's affairs in the war have been handed over to boards over the head of parliament, over the law courts of the country, without any public regulation whatsoever. The Minister of Finance is not to blame for that, because he is only one member of the cabinet, but he has had to bear the brunt of the whole thing. It is parliament that is primarily to blame if the facts are not what they should be.

There is no sacrifice that Canadians will not willingly make in this time of peace and reconversion, just as there was no sacrifice during the war which they were unwilling to make. But the people should be given the facts. There is a great deal of waste in Canada to-day.

The Conservative party stands firm on the ground that the state exists for the individual, not the individual for the state; that state interference with the full liberty of the subject is an evil thing *per se*, the encroachment of which should be most searchingly scrutinized and resisted; that no government department, except where it enjoys a monopoly, can conduct business at a profit; that the prosperity of the nation rests on the enterprise and ability of individuals in free association to conduct their affairs with a minimum of regulation and interference; that capital and labour are partners—not enemies—indispensable to one another; that bureaucracy is the enemy of both and will ruin them morally and financially if they do not restrict its inordinate increase.

And finally, that what the Conservatives seek is the welfare of the whole community, and no sectional or class advantage. Speaking in this house on September 11, 1945, I said:

Every principle for which the British nation struggled in the old land since the 17th century has been surrendered to the political caucuses. Parliament itself, which came into being to ensure that taxes shall be voted only by those who have to pay them, has become the institution through which those who do not pay them impose them on others.

I want to emphasize to the committee that powers of legislation older even than the right of taxpayers to determine the national expenditure have been surrendered, and if we are to continue this sort of thing the power of parliament will be gone forever. Whole spheres of activity, involving the livelihood of every man, woman and child in this country, have been removed from the jurisdiction of the law and of parliament and reserved for the determination of tribunals, irresponsible, irremovable, governed by no control and subject to no appeal . . .

I come from a very large taxpaying city. The working class have to pay a 12 per cent sales tax, and the burden of taxation is very heavy upon them and upon business firms in the district. Some small business men have been put out of business altogether.

[Mr. Church.]

I pointed out that in Washington they are proposing to reduce expenditures along the lines I have indicated. We should call a halt to this kind of thing. The trouble is that we are only holding a post mortem when we come to deal with these estimates. The auditor general's statement is of some importance; I am glad to see that in the last auditor general's report there is some improvement. As I stated in an earlier address in 1945 in this house:

We all know what happens to an individual or to a nation which goes on borrowing and does not keep its finances within bounds. It becomes bankrupt. When you continue to spend more than you make and keep on borrowing money to make up the difference, you know the result. You know, too, that a big chunk out of every dollar a working man earns and spends is used to pay taxes. There is a sales tax on almost everything he buys, so that everyone should look at the way the government is spending our dollars. In my opinion the government should begin now to live within its means. During the war of necessity we spent huge sums of money; yet now, with the war over, the government proposes to spend much more than in any pre-war year. Most thoughtful people believe that government expenditures are now far greater than they need be. They believe that the government, like a family, should live within its means, that it should not spend more than its takes in and that it should not keep going deeper into debt; yet that is exactly what is happening to-day. Our government is spending millions more than it takes in, and it continues to borrow or add taxes to make up the difference. That is the sort of money handling that causes inflation. Economy in government means money in your pocket-book. If the Canadian people will act to reduce government spending and take steps to increase production, inflation will be stopped; and this is the only way in which it can be stopped. I urge this house to cut the cost of government, to eliminate all waste, all unnecessary services and postpone all expenditures that can be put off until our war bills are paid. Mr. Truman has adopted that policy, and I urge the government to start living at a level that we can afford to maintain. We shall soon see the result in the cost of everything we have to buy, food, clothing and everything else.

I think these words are what should be expected.

I notice certain criticisms in the *Wall Street Magazine* of the Office of Price Administration, to the effect that it would mean the end of Bretton Woods—for which I did not vote, and I am glad I did not. The same source reports the failure of the international money fund and of the world bank through the bringing to the end of the Office of Price Administration. That remains to be seen. But I wish to add this, in general, that I believe something should be done to eliminate all unnecessary expense.

I wish now to refer for a few minutes to the subject of Canadian coal. The existing situation has from time to time caused much