

Submissively the premiers carried a series of resolutions at the dictation of Sir Otto, declaring:

(a) their fixed determination to balance their respective budgets for the financial year 1930-31 and to maintain a similar balanced budget in future years;

(b) that no further overseas loans would be raised until the current short-term indebtedness was dealt with;

(c) that future loans will be for reproductive works only.

These were the steps which the mission assured the conference were essential to "place Australia on the road to prosperity." Time has surely proved them the steps of the treadmill.

In the light of these quotations, I think the Minister of Finance will agree that I do not exaggerate when I say that at that period we were under a form of financial dictatorship, because there was Australia able to produce far more than she needed, but other nations were not willing to accept her production, and consequently she was told that she would have to curtail her expenditures in order to bring about a balanced budget. Well, we know what happened in Australia at that time. Their depression was even worse than the one we experienced.

I cannot say, of course, whether a similar mission came to Canada, but we do know that Sir Otto Niemeyer came to this country. Members of this group asked to have the house informed exactly as to what occurred between Sir Otto and Mr. Graham Towers or other officials of the government, but that information was refused. Apparently the officials of this country are not quite as free in their discussions of such matters as they are in Australia. If we could get as frank a statement in Canada as the people got from those in Australia, I have no doubt that we would find that the same thing happened in this country and that we were dictated to by international financiers.

A further proof of what had been happening in Canada is to be found in the election speeches of the Prime Minister in 1935. The Minister of Finance will remember what the Prime Minister said at that time during the election campaign. He declared that in this house there would be waged a great battle with the money powers. I must admit that I have never seen that battle materialize. I have been optimistic, hoping to see the fight started every session, but nothing has happened. Those are the Prime Minister's words, not mine, and when the Prime Minister said that there was to be a battle between the government and the money powers he had in mind, I presume, certain money powers who were forcing destitution upon the people of the country. Either that, or he was speaking for the sake of the

election. If so, that was his fault. But I am giving him full credit for having meant what he said at that time, and I believe he had good cause for that statement.

Of course, we are being told now that never again will such things exist. We are assured that there is to be a new order. I would remind the minister and the committee again, however, that Lloyd George at the end of the last war made speeches similar in every respect to the speeches that are being made to-day prophesying a new order. Lloyd George also talked about a new world and declared that depressions were a thing of the past. There would never be another depression, he said. Well, does anyone doubt that Lyold George at that time was as sincere as the Prime Minister of Canada is to-day? Undoubtedly he was sincere, but he overlooked for the time being the fact that pressure would be exercised on that nation when the war was over. The cry began as soon as the war was over, "We have spent a great deal of money in carrying on the war and now we have to pay for it." And you will find here many people, like the chief architect of depression, the hon. member for Simcoe East, saying the same thing. He will be one of the first to cry out for a general restriction of spending after the war is over, and that will mean one thing and one thing only—another depression.

The only reason why we have prosperity to-day is that the government has become the greatest purchaser of labour and materials in the country, greater than any other institution. The moment the government stops spending at that rate, unless certain other institutions are prepared to take up the slack, undoubtedly we shall go down into another depression. So that I think it is well that we should keep clearly in mind the fact that these monetary proposals actually deal with results and not with causes, and that until the causes are eliminated there must be a dubious future for any form of international stabilization of currency or international exchange union. Therefore, while I wholeheartedly agree with the objectives as they are outlined in the British and Canadian proposals, I cannot agree that there is much chance of these proposals bringing about the things they wish to achieve. While it is true that the proposals admit that a creditor nation has a certain amount of responsibility for an unbalanced trade, the strange thing is that when the experts come to make certain proposals they place the main responsibility upon the debtor nation and not upon the creditor nation. They make certain recommendations to the creditor nation and then immediately state that the creditor nation