

*North Atlantic Treaty*

and Canadians will be allotted a share of those dollars". Do such arguers not realize that, in saying that, they are actually planning subservience to the United States? Men who have devoted much of their time and thought to fighting any hint of subservience to Britain are quite ready to pave the way for subservience to the United States, which would be far more unbreakable and intolerable than anything Britain ever inflicted upon them. Do they realize that? I must leave it with them.

Some will ask, "Can we afford it? Taxes already are ruinous, and debts are alarming". I agree completely that taxes are far heavier than they should be, that debts are far bigger and far heavier than they would have been if a sound financial policy had been in force in this country, even since world war I. Let me assure all Canadians that to grant the credit I propose to Britain would not cost Canada one cent of money, either in taxes or in added debt. I should like to read from the report of the royal commission on banking and currency in Canada, known as the Macmillan report, and I quote from page 22, paragraph 47 as follows:

47. In the war session of August, 1914, parliament raised the partially covered issue to \$50 million. Subsequently an issue of \$16 million was made against a deposit of railway securities guaranteed by the dominion government, as well as an uncovered issue of \$10 million for governmental purposes. In 1917 an emergency issue of \$50 million of dominion notes was made to finance war purchases in Canada, by the British government. The notes were secured by imperial treasury bills. In due course, this indebtedness was liquidated by payments from the British treasury and all of this issue had been redeemed by 1927. No changes have since been made in the Dominion Notes Act except that by a statute passed on 30th March, 1933, the governor in council was empowered to suspend the redemption in gold of dominion notes, and an order in council to this effect was made on 10th April, 1933.

That report was made in 1933, one year or so before the Bank of Canada Act was passed. Had the Bank of Canada Act been enacted at that time the commission would not have been quite so sanguine about the Canadian Department of Finance, because the Bank of Canada Act took away from the Department of Finance the power or at least the function of creating money, and lodged it in the Bank of Canada. After that, in order to get any money from the Bank of Canada the government had to borrow or pretended it had to borrow it from the Bank of Canada. May I urge once more that we advance Great Britain the credits which I advocated on November 12. In order that anyone who has not seen that *Hansard* shall know what I then advocated, I am going to read from page 921.

[Mr. Blackmore.]

**Mr. Fournier (Hull):** On a point of order, I do not think we are in order with this discussion. What is before the house is the third reading of a bill to implement the agreement between the parties to the North Atlantic treaty regarding the status of their forces. The hon. member is dealing with another matter entirely, and I suggest to him that another occasion will arise when he could more properly make these remarks. He made them once on November 12 and it seems rather far-fetched to discuss the matters he is discussing at this time.

**Mr. Blackmore:** I do not know whether the Minister of Public Works was in the chamber when I made my introductory remarks. If this bill is worth passing, if it is worth the attention of this house at the present time, it must give some guarantee that NATO is going to do us some good. If Britain is weakened economically so that she is unable to perform her part in NATO I suggest that the whole NATO organization, so far as Europe is concerned, will collapse. I think I can safely defend that suggestion against anybody. We are discussing NATO, and in that case nothing could be more appropriate than to indicate the extreme importance of our adopting measures to support the NATO nations economically.

**Mr. Deputy Speaker:** I would ask the hon. member to confine his remarks to the principle of the bill before the house. He should not discuss the policies of other member nations of NATO. I would ask him to be more relevant and confine his remarks to the principle of the bill.

**Mr. Blackmore:** I am not discussing the economic policy of any nation but Canada, and Canada is vitally concerned.

**Mr. Fournier (Hull):** Under this bill we would not be in order to discuss even the economic policy of our country. We have signed an agreement with the other nations of NATO regarding the status of our forces. I think the hon. member's remarks should be confined to that.

**Mr. Blackmore:** Mr. Speaker, once more may I point out to the minister that there just is no use passing this bill if the whole NATO organization is going to collapse. May I suggest to the minister that his complaint about my repeating myself is false. He said that last spring. He attacked me for repeating myself and I did not.

**Mr. Fournier (Hull):** I resent that. I am taking the hon. member's own words. He said: "I stated this on the 12th and I am going to repeat it now."