

the frequency with which the directors of finance in the old country of France were changed in the years immediately preceding the French revolution. I was interested in looking up Mr. Carlyle's book on the subject the other day and seeing what he had to say about Calonne, who was a famous director of finance in France for two or three years before the revolution broke out. Mr. Carlyle was not only a great prose writer; he had some thoughts on economy which would be very useful to this country if my hon. friend the Minister of Finance (Sir Henry Drayton) would only take Carlyle for a teacher. In summing up his comments on Calonne and his policy of that day, Carlyle said:

Nay, in seriousness, let no man say that Calonne had not genius; genius for persuading; before all things, for borrowing. With the skillfulest judicious appliances of underhand money, he keeps the stock exchanges flourishing; so that loan after loan is filled up as soon as opened. . . . The misery is, such a time cannot last! Squandering, and payment by loan is no way to choke a deficit.

Now, there is a splendid picture drawn by the great master of English prose of the condition of France about the year 1789, and every word of it is true, in a degree, of the condition of the finances of this country. No wonder we have class movement and class revolution and people doing things when this is the way the finances of the country are being handled.

The supreme condemnation of the Finance Department of this and of the previous Government—I exclude the present Finance Minister from anything that I may say; we do not yet know whether he is a protectionist or a free trader, and sufficient unto the day is the evil thereof—the supreme condemnation of the Finance Department is to be found in the success of the Victory Loan of this year. For years we were told by that department that you could not raise a Victory Loan if you taxed it. But the Government had to go back upon that opinion; they taxed the loan, and the money of the people was forthcoming just as it had been in previous years. Surely, too, the Victory Loan condemns the Finance Department inasmuch as it shows that there is plenty of wealth in the country to furnish a large amount of the revenue if the Government had the backbone to impose taxes directly on those whose backs are well able to bear them.

I notice in this connection that the Minister of the Interior (Mr. Meighen) made no attempt whatsoever, at least I cannot recall that he made any attempt—to answer the member for Marquette (Mr. Crerar) on

this particular head when he compared what has been done in New Zealand with what has been done in Canada in the way of direct taxation. Mr. Speaker, I am a Canadian. I have been in this country for eighteen years; everything I have and everything I hold dear is in this country. I should like to be proud of being a Canadian, but in this matter of direct taxation my Government has given me no cause for pride. New Zealand has, roughly, a million people; we have eight millions. In the year 1917-18, New Zealand raised \$25,000,000 by an income tax. If Canada had raised the same amount in proportion to her population we would have obtained a revenue of \$200,000,000 a year under that head, and if we had obtained that amount each year of the war, our national debt would be one billion instead of two billions and we should not have heard so much about the adverse exchange situation.

Mr. JAMES ARTHURS (Parry Sound): If the hon. gentleman has observed the newspaper reports, he must have seen it stated that the national debt of New Zealand amounts to about \$850 per capita, while in Canada it is only about \$300 per capita.

Mr. MICHAEL CLARK: I would like something better than newspaper reports from any one who speaks about the per capita debt of any country. I am not going to migrate to New Zealand; my hon. friend need not be frightened. I am only comparing what the two countries have been doing along one specific line of national endeavour. If my hon. friend likes the fact, why he can roll it under his tongue as a sweet morsel; but I do not—I would like to think that Canadians had done as well as New Zealand. And we were under a pledge to do it, especially after the last election, because the formula upon which we fought the last election was: "We are in this war to the last man and to the last dollar." Well, some supporters of this Government have a good many dollars standing between them and their last one.

These remarks upon the financial situation which have been raised in the course of this debate are not without their bearing upon the amendment before the House. They have in my mind a very strong bearing upon the amendment, and on the duty that men who hold the views I have just expressed have to perform in connection with that amendment. Let me say that I agree absolutely with every word that fell from the lips of the Minister of the Interior (Mr. Meighen) as to the unfortunate