

ada. I prefer the quiet dignity of Canada to the loud egoism of the States; I prefer the stern but fairer administration of justice in our law courts; and finally I prefer the splendid morale of my people to the looser living of the folks across the line. Once I stepped into a law court in the United States and I was quite surprised to find two lawyers sitting on chairs in the law court and smoking cigars. They had their hats on and they were vying with each other as to which one of them could emit saliva into cuspidors about twenty-five feet away from them. I am sure nothing of that sort happens in Canadian courts. We have in this country decorum, dignity and many other things which the people of the United States do not possess.

You tell me that the youth of our land has gone to the States. Well I believe that the process will be reversed just as soon as we begin to forge ahead a little more. I do not, however believe in colossal strides in progress. That is what is wrong with the United States; they are going ahead too fast, with disastrous effects upon the chastity and morale of her people. It is better for Canada to forge ahead slowly but surely and to keep her traditions of dignity, courage, chastity and thrift intact, than to go ahead by leaps and bounds but at the same time destroy all we should hold dear as life itself. I am an optimist. Our boys and girls will come back and so will Canada, not because, but in spite of, the Robb budget.

And what is that budget we hear so much about nowadays? From a Liberal viewpoint, summed up briefly it means a lowering of the cost of living to the people, while at the same time giving every reasonable protection to industry and every possible encouragement to the promotion of trade within the empire. They call it a "work and thrift" budget. But is it a "work and thrift" budget? Let us see. The government each year has been spending more than the preceding year. Its surplus is, therefore, not the product of economy. Now the Minister of Finance has declared that the government's policy is to work both ways—to reduce debt and to reduce taxation. These may be admirable objectives, but I feel sure he would be able to do each of these things more acceptably to the Canadian people if he would produce surpluses by economy as well as by budgeting for a large revenue. I believe the minister will admit that 1927 was a comparatively good year, so that when a government budgets for nearly \$55,000,000 more than it spends and taxes the people enough to secure the budgeted income, it is not difficult in a period of expansion to produce a surplus.

I realize that when I speak of economy the Minister of Finance may say: "All right,

then, we shall withdraw our assistance for good roads and technical education and also increase the freight rates and use the extra income of the railways to promote immigration." This, I contend, would be false economy; and I understand he favours the withdrawals in all cases. I would like to point out, however, that the dominion treasury was enriched by about two and one-half million dollars last year from the liquor business in the province of Alberta alone; but that the amount for roads and technical education paid out to Alberta by the Minister of Finance was very small in comparison. Practically all the provinces are now engaged in the liquor trade. When one considers the fact that the government receives more from this trade than do the provinces themselves, the talk of economizing by withdrawing the grants for highways and technical education is extremely unreasonable.

I understand that Sir Henry Thornton, whether on the initiative of the government or not I do not know, has a proposal to increase freight rates and to apply the extra income derived therefrom to promote immigration. This would be discrimination, and I see no reason why the shippers of this country should carry our immigration burden. Immigration is a general policy and should therefore be a general charge upon the whole community. If the minister wishes to economize he can do so by a weeding out process in the departments, by amalgamation of branches that could be practically run under one head. Tax reductions were made last year at a sacrifice of \$27,000,000 in revenue; this year the reduction amounts to \$19,000,000, so that \$46,000,000 might easily have been added to the curtailment of our huge war debt which, strange to say, hovers every year in the neighbourhood of about \$2,600,000,000.

A payment of about \$1,000,000,000 falls due in 1933. It bears interest at 5½ per cent. The minister of Finance proposes to take advantage of the favourable condition of the money markets and retire this debt with money borrowed at 4 per cent. I think this is good business and I have no quarrel with the minister on that score. It is good economy.

In so far as the sales tax is a heavy burden on the consumer, I approve of its reduction on the necessities of life.

And now I come to that "most unkindest cut of all"—the income tax. During the course of the budget debate last year I remember some one on this side of the house remarking that the farmer is opposed to a reduction in the income tax because he does not have to pay any income tax at all; that he desired the repeal of the sales tax law because he could not evade the sales tax.