

Special War Revenue Act

The editorial concludes:

It is apparent that the additional sum which the public are being required to supply could be reduced very substantially, and so long as this condition exists there is bound to be a great deal of public dissatisfaction and resentment, particularly when the taxpayer comes to realize that he is bearing a considerable part of this new taxation in order that the government may enjoy a peaceful administrative environment.

I think that is answer enough to the Minister of Finance on the matter of economy. A very important supporter of this government considers that the government has not gone as far as it might have gone in the matter of economy. My hon. friend referred to controllable and uncontrollable expenditures. I find that in 1930 the expenditures outside of railways were \$357,000,000 while in 1934, with export trade down by half, the expenditures were \$355,000,000. The expenditures are but \$2,000,000 less when the only additional items are interest and relief.

Mr. RHODES: Canadian National.

Mr. RALSTON: The Canadian National was included—

Mr. RHODES: Subsidies and pensions.

Mr. RALSTON: —in 1930 as well as 1934. It seems to me that the minister can hardly say that he has practised all the economy he should have practised in these hard times. He now proposes to impose this tax. My hon. friend referred to controllable expenditure but I direct his attention to the fact that between 1930 and 1934 interest charges increased by \$20,000,000 because of the deficits incurred by this government. Last year this government showed a deficit of \$102,000,000 on accounts outside of Canadian National. During the past three years there has been a total deficit of over \$400,000,000 and yet this government has had the temerity to write to the province of Manitoba to tell them that they had better balance their budget, or come within \$1,000,000 of doing so, or they would get no assistance. With all due respect to the government, that seems to be to be like satan rebuking sin. I submit that there is yet much to be done in the way of economies.

My hon. friend may speak of economies, but I contend that there is nothing in the estimates which have been placed before us to indicate that the government are properly seized of the seriousness of the situation and of the necessity for retrenchment. The government apparently finds it much easier to impose a two cent tax on sugar, a tax upon people who are not here to speak for themselves and who have not asked this government

[Mr. Ralston.]

for anything. The people in the most humble and ordinary circumstances are having it brought home to them with a vengeance. It is on behalf of these people that hon. members are speaking to-night. They are not necessarily speaking on behalf of the well to do, who are getting some benefit from government and are able to bear the burden of taxation; they are speaking on behalf of the people who have not asked this government for anything but who are now being asked to contribute by means of this particular tax an average of something like \$2 per head. I say to my hon. friend that he would be well advised to canvass the situation and to endeavour to see if it is not possible to produce further economies. If a tax of this kind is to be imposed on the poor people of this country I submit that the suggestion made by my hon. friend from West Middlesex is worth while considering, namely, that the tax should be cut in half.

While I am on my feet let me say that this is not the only tax that strikes at the masses of the people, because when we come to the sales tax the food of the people, which is now exempt from the sales tax, has to bear a six per cent tax which the masses of the people have never paid before.

One thing further. My hon. friend says that some people have never paid taxes before, but everybody has at least paid the one cent tax on postage. Everybody who posts a letter has done that, and it does not require any two cent tax on sugar to convince the people of this country that times are hard and that they are having to pay the piper.

Mr. RHODES: If only for old times sake I must say a word in reply to my hon. friend from Shelburne-Yarmouth. If one thing more than another characterizes him it is his ability as a special pleader. He can spin a longer thread out of less material than any man I know of. If I were to pick a flaw in what he has just said, I would say that he must find himself sadly in need of material when he has to found his argument upon an editorial contained in the Montreal Gazette. I have heard of scrapbook oratory and scrapbook orators, but never did I think my hon. friend would resort to basing his argument upon an editorial in the Montreal Gazette. When he refers to the Montreal Gazette as a supporter of this government I can only say to him; God deliver us from our friends. I am willing to have the accuracy and the value of that editorial judged by an analysis of the statements of facts which it contains, one of which was quoted by my hon. friend. Quoting the editorial he says that the government has pre-