

that the physical volume of business was 48·5 per cent above the low point of the depression; that the League of Nations' comparison of increases in industrial production from January, 1933 to the end of 1934 placed Canada in first position with an increase of 46·2 per cent; that last year our field crops increased in value by \$91,000,000 as compared with 1933; that there was a marked increase in mineral and forestry production and an increase of 65,000 in employment over 1933, with an increase of over 340,000 as compared with the low point of the depression. It was gratifying also to note that Canada still occupies fifth place in export trade; that there was an increase in trade during the eleven months period amounting to \$169,000,000 and a favourable trade balance for the same period of \$134,000,000. It is also gratifying to note that the good effects of the empire agreements are still making themselves felt, as evidenced by the fact that our export trade with the United Kingdom increased in 1934 by 52 per cent as compared with 1932.

Many hon. gentlemen opposite have urged the necessity of holding a general election as soon as possible, and that point was also mentioned by the hon. gentleman who preceded me; as a matter of fact it was his first point. It did seem to me that this evening my hon. friend spoke with a rather greater degree of pessimism than he usually shows when speaking in this house. It appeared to me that the idea of an immediate general election—and no doubt the possible effects of that general election—had saturated his whole consciousness to such an extent that he exhibited an extreme feeling of pessimism. While we are all aware of the fact that this is the last session before a general election, we know that the electors throughout the country from one end of Canada to the other are beginning to consider, and no doubt already have considered, the issues upon which this election will be fought. It seems to me that the electors are asking themselves, perhaps not in express terms but in their minds, certain basic questions with regard to the government of the country. It is quite natural that the electors should ask themselves about the record of the government appealing to them for support. The budget which has been presented gives answers to many of these questions. The first question the electors will be asking from now until election day—and it is the most important question they will have to answer—is this: "Has the present government administered the affairs of Canada with honesty, efficiency and economy?" To this question I believe any person who has studied

[Mr. Shaver.]

the situation carefully or has reviewed thoroughly and dispassionately the record of the government must give an affirmative answer.

The Minister of Finance was able to point to a reduction in the interest rate on our funded debt, and a civil service reduction amounting to 12,700—which was effected without working any hardship upon civil servants—and a consequent saving in salaries of over \$12,000,000. The fact that the per capita basis of controllable expenditure was last year practically the same as in the year 1913-14, before the war, is the best evidence that the government which has been conducting the affairs of Canada since 1930 has administered those affairs with the most rigid economy.

Hon. members opposite have spoken about the increase in the public debt. We admit that; but they did not for a moment consider the fact that other countries in the world have increased their public debt. They did not consider Canada's public debt from the standpoint of comparison with the debt of other nations. They seem to have forgotten the wealthy nation to the south of us, I suppose the wealthiest nation in the world, which has now before congress a work relief bill amounting to nearly five billion dollars, which will have the effect of increasing the debt of that country to thirty-four billion dollars, or nine billions more than the peak of the war debt. We are informed, from very reliable sources, that there are now 20,000,000 people in the United States supported either in whole or in part by public funds. This is a much greater proportion than that existing in Canada. Compared with our great sister nation we are only small and comparatively undeveloped. Yet, in all these respects, we are in a much better position than is the United States.

The next question the electors will ask, and to which they will deserve a clear and definite answer, is this: "Is the present government responsible for the depression?" To hear the observations of some hon. members opposite, hon. members who utter lurid fulminations against the government, one would be led to believe that the present government was responsible for the depression not only in Canada but in every country of the world. Yet they know and every Canadian citizen knows that the tide of the depression was running across Canada like a flood for almost a year before this government took office. The government of hon. members opposite were to a great degree responsible for that condition. For nine years they had floated along on the tide of world prosperity. For nine