

dence at all. The same argument applies also to bonds, although there is a slight difference between the two. In the case of bonds, which are usually a mortgage on the enterprise, the risk is much less than in the case of stocks, but any increase in the market price of bonds may be accounted for by several reasons, the least of which may be the general prosperity of the industrial life of the country. During prosperous times bonds are usually paid off rather than floated.

The Speech from the Throne, in paragraph 4, has this to say upon the subject, of prosperity:

Further evidence of industrial progress is reflected in the greatly improved earnings of the railways.

I desire to point out that if hon. gentlemen opposite are relying upon the figures in that regard for the last five years as a barometer for testing the prosperity of the country they are resting on what will prove to be a broken reed. In this connection I should like to submit a statement prepared by Mr. J. L. Payne, who is probably as able a railway statistician as we have in this country. An hon. gentleman sitting near me dissents from that opinion. Well, my hon. friend, perhaps, has known Mr. Payne longer than I have, but with all due deference to the hon. gentleman's views, if we deal with Mr. Payne's facts and leave out his conclusions we may act upon the information which he has compiled. In any case what does he say? That the gross earnings of the railways of Canada for the past six years were as follows:

| Year | Amount |
|--------------------------------------------------|---------------|
| 1920.. | \$492,101,104 |
| 1921.. | 458,000,000 |
| 1922.. | 440,000,000 |
| 1923.. | 478,000,000 |
| 1924.. | 445,000,000 |
| 1925 (estimated for the twelve months).. | 460,000,000 |

Let us examine these figures for a moment. If the argument of my hon. friends opposite were sound, namely that railway earnings indicate prosperity, then, Sir, the year of 1920 was the year of greatest prosperity in the last dozen years, since railway earnings in Canada in that year were only eight millions short of half a billion dollars, and thirty-two million dollars more than 1925 just closed. True, gross earnings declined in 1921, but in 1922 the first year hon. gentlemen opposite were in office the decline was over \$50,000,000. In 1923 Providence smiled on us and gave us magnificent crops, and again the railway earnings rose to \$478,338,447. But, Sir, all this time our industrial production had been steadily declining, and business stagnated. Confidence in the government was steadily waning, and in 1924 the gross earnings dropped

[Mr. Foster.]

again to \$445,000,000 odd or \$47,000,000 below that of 1920, while during the first six months of 1925 the conditions in the country were so bad that capital was seeking safety elsewhere and a feeling of grave alarm was again seizing the entire business and banking centres of this country. Fortunately Providence again came to our relief, and the last six months of the year showed a considerable improvement, increasing gradually as evidence of good crops grew stronger. But the gross earnings in 1925 were \$460,000,000, or only \$2,000,000 more than they were in 1921, when the amount was \$458,000,000, and still \$32,000,000 less than they were in 1920, the year my right hon. leader was Prime Minister of this country.

Hon. gentlemen opposite also speak of a \$30,000,000 surplus on Canadian National railways during the past year. How was this accomplished? The major part of it was accomplished by a reduction in operating cost, and the dismissal of thousands of employees.

An hon. MEMBER: Whoa!

Mr. SPEAKER: Order.

Mr. FOSTER: Mr. Speaker, I quite appreciate the significance of that echo, and I may say to you that I have listened to the braying of an ass many times in my life, and I recognize the animal. I ask this House how the result referred to was accomplished? It was accomplished, as I said, by the laying off of hundreds of employees, perhaps thousands. I ask the very important question: Where have these men gone who have been laid off by the railway companies? Have they been absorbed into the industrial life of this country? The answer is no. When you go to the consular offices of the United States you find that they are being kept busy every day issuing passports to our Canadian people to permit them to cross to the country to the south and enter the industrial life of that nation.

Some hon. members talk about having Canada a cheap country where people can buy their products and the necessities of life cheaply. I ask hon. gentlemen to think of any country in the world that is a so-called cheap country where there is any progress. I think it will puzzle any hon. member to find one. I ask, what good is it to the people who are out of work if they can get their woollen socks, their shirts or other necessities a few cents cheaper? What we want for the people of this country is the opportunity to work, and I submit that a place in which to work at a living wage or better is a far more important thing than a place in which to live. If you have a place in which to work you can always get a place in which to live.