

our plants and industries dependent upon this raw material as their basis are going through at the present time.

Just to emphasize that and to show that I know what I am talking about, I will go to the trouble of putting on record figures showing our importations of iron and its products, which emphasize more and more the point I am trying to make. In 1924 we imported iron and its products, raw iron, pigs, ingots, blooms, scrap, castings, forgings, rolling mills products, tubes, pipes and wire, to the amount of \$61,161,820. For the same period in 1925 we imported these products to the amount of only \$39,276,023, a decrease in our importation

of these basic raw materials for our manufacturing industries of 35.8 per cent. That is an index of the stagnation and slackness of trade and dulness of industry that we find in our manufacturing institutions which depend upon these raw materials for manufacturing into their finished goods.

All through this debate, Mr. Speaker, I have been amazed at some of the suggestions which have come from the Liberal party with regard to the conditions we find in Canada. But we had something which took the cake, if you will excuse the expression, from the Minister of Labour (Mr. Murdock) last night. He spoke of ream after ream of Tory propaganda. I was just thinking to-day of the ream after ream the Minister of Labour put on Hansard, but whether it will be interesting reading I doubt very much. I want to say a few words with regard to this remarkable result and to the "justifiable pride" which the Acting Minister of Finance finds in the statistics he gave. I think when the people of Canada grasp the true significance of these statistics and learn the actual state of the revenues and expenditures of Canada, instead of having a justifiable pride in the handling of the affairs of this country by this administration they will receive a shock, from which the people will recover, because they have unbounded confidence in the resources of this country, but from which the government themselves, when they appeal to the electorate of Canada, will not recover. The government say—I saw a headline in one of my own Toronto papers the other day that the government have reduced taxation by \$52,837,000. Rather interesting, but I will tell you where this reduction came from.

Mr. BENOIT. Louder.

Mr. HARRIS: I was just thinking that when the Prime Minister gets here—I am sorry he is not here now—the whip will crack loud [Mr. Harris.]

enough and hon. gentlemen opposite will all line up when the vote is taken. It will be loud enough for my hon. friend then. Let me preface what I am going to say about the revenues and expenditures of the country with a remark that I find in the budget speech of last year:

It was hoped, however, to offset any considerable reduction in the revenue by the most rigid economy in expenditures.

Yes, Mr. Speaker, they have offset it by a deficit of \$46,737,000. The revenues shrank by \$52,837,000, but the expenditures shrank by only \$5,100,000. There you have the most rigid economy which was to offset any reduction in the revenue. What is the cause, Mr. Speaker, of this decrease in revenue of \$52,837,000? The Globe newspaper seems to say that the people were saved this amount. Was this reduction due to a reduction in the receipt tax? Was it due to a reduction in the cheque tax? Was it due to a reduction in the income tax? Was it due to a reduction in the sales tax? Have we got penny postage in Canada yet? Is it due to a reduction in the cost of postage? No, Mr. Speaker, I will tell you where we lost a million dollars a week last year. Owing to dull trade and slack industry the clearing house returns shrank last year by \$553,000,000 in eastern Canada. Dull trade and slack industry accounts for half a billion dollars less clearing house returns in eastern Canada last year as compared with the year before. That half billion dollars less clearing house returns is the one factor which stands as an index head and shoulders above any other in accounting for the shrinkage of one million dollars a week in the national revenue of Canada.

That, Mr. Speaker, is the predominating factor which is accountable for this situation, and until such time as it is righted, we will not be on the right path. The Acting Minister of Finance (Mr. Robb) intimated that some of the back benchers who are rather timid had better be kind of careful what we are saying about revenues and expenditures of the country, or we are going to embarrass the national credit. One statement in the budget speech to my mind will do more to shatter confidence in the affairs of Canada than all the propaganda from the Atlantic to the Pacific. That statement is found, Mr. Speaker, in the reference to the taking of what in my opinion is a frozen credit of four million and some odd dollars, and adding that unpaid interest to an asset, and then bringing that into the balance sheet; that is not so bad in itself, but to bring into our statement of