

The Budget—Mr. Meighen

I have given our financial position, but before I close this phase of the subject I want to make reference to a contention which the Prime Minister has pressed once at least in this House, a contention by way of complaint of the conduct of the late administration in respect of the taking care of war obligations during the currency of the war. I have heard his words re-echoed from various quarters of the Commons, words to the effect that the late government by dereliction, the insinuation always being because it was protecting its friends, "the interests," did not take care of any capital war obligations during the progress of the war, and consequently that the burden of this government is so terrific that only an extraordinary government could bear it. Well, a lot depends on what you would call the "capital" cost of the war. I do not know what the Prime Minister means by it, but I know that in other enterprises capital cost is all costs during their continuance. I know in the statutes, under this government, or former governments of the same party as this, no matter what the enterprise, provision was made even for interest on the cost during construction, during its continuance, being taken as part of the cost. But I do not intend to include interest. I am ready to treat interest on war debt during the war as the carrying cost of the war. Nevertheless we had to get the money and to pay it, and it was directly due to the war. But I wonder if pensions paid during the contest

were not part of the capital cost. I wonder if the hospitals of the Department of Civil Re-establishment were not part of the capital cost of the war. Is it only part of the capital cost when the money you get is to buy ammunition for the soldier to shoot, and not the money you have to get to help your own men after they are shot?

Mr. MACKENZIE KING: Does my right hon. friend contend that the pensions we are now paying are part of the capital cost of the war?

Mr. MEIGHEN: After the war is over the capital cost of civil re-establishment continues for a while on a reducing scale, until finally it goes out. There are also pensions for a long time, gradually reducing until they go out, but during the continuance of anything, the capital cost is all its costs, and pensions are as much a capital cost as anything else. It does not matter whether you call it capital cost or not; but I am prepared to call it that, because it is. The carrying cost is the interest on the cost; the other is wholly a part of the cost of the war. But does it matter what we call these things as long as we know what we have to pay? The fact is we had to pay it, and get the money to do so: I have the figures here from the year 1914-1915 on to 1919-1920 inclusive, the receipts, the total expenditure for everything, the deficits and the war expenditure, and I would ask that the details might go on Hansard:

Year	Receipts	Total Expenditure	Deficit	War Expenditure
	\$	\$	\$	\$ cts.
1914-15.....	133,073,482	248,098,526	115,025,045	60,750,476 01
1915-16.....	172,149,394	339,702,502	167,553,109	166,197,755 47
1916-17.....	232,701,294	498,203,118	265,501,824	306,488,814 63
1917-18.....	260,778,952	576,660,210	315,881,257	343,836,801 98
1918-19.....	312,946,747	697,042,212	384,095,465	446,519,439 48
1919-20.....	349,746,335	743,763,186	394,016,851	346,612,954 54
Total.....	1,461,396,204	3,103,469,754	1,642,073,551	1,670,406,242 13
Sinking Fund:—				
1914-15.....	1,645,812			
1915-16.....	1,773,021			
1916-17.....	1,471,698			
1917-18.....	3,183,493			
1918-19.....	1,448,495			
1919-20.....	3,674,265		18,196,784	
Deducted from total deficits this leaves net deficit for 6 years.....			1,628,876,767	
Taking total net deficit for 6 years from total war expenditure.....				1,628,876,767 00
Amount paid on war costs is shown to be.....				41,529,475 00

[Mr. Meighen.]