

While some of them may be no good, some of them are all right, and therefore we must conclude, taking these figures, that the national debt of the United States at the present time is a little over \$10,000,000,000. Their position therefore is much better than ours. Their debt is decreasing rapidly, while ours is decreasing slowly. All hon. members should assist the Minister of Finance in every possible way to guard the treasury thus making possible the reduction of taxation, and of the national obligation, hastening the time when our country will be in a better and a sounder financial position. Some hon. gentlemen opposite are always alarmed lest their income tax should exceed the American income tax and yet they are the people who are afraid that our tariff is not going to be as high as the American tariff. I feel that we, as Canadians, should look after our own business and should not worry about what they are doing across the line. It is all right to study their affairs and methods, and to see if we can gather any lessons from them, but that is the only way in which we should be bothered with their affairs. Let us look after our own affairs.

This, as I have briefly outlined it, has been the financial position of the country since this government came into power in 1921. We were carrying a large burden of taxation owing to the war on which very little taxes had been paid. Our revenue was not meeting our expenditures. If a private individual were to conduct a business or any concern where his revenue was not meeting the expenditures, what would he begin to do? Why, as a normal business man he would begin immediately to cut down expenses, look for the leakages and try to make both ends meet. Now I wish to show that that is what this government did when it came into power in 1921. It began to cut down expenditure and to try to make both ends meet. The legislation which this government has put through has been good and economical. Although the expenditures are large, the revenue for the year 1924-25 being \$346,834,479 and the expenditure just a few dollars less, expenditures which were due to the war and the war alone amounted to \$167,281,587. If we deduct expenditures due to the war we find that the ordinary running expenditure of the country amounted to only \$179,000,000 for 1924-25. If we go back to 1914, we shall find that the ordinary disbursements of the country amounted to \$186,000,000 so that our expenditures for 1924-25 really show a decrease over those of 1914. What business has done any better than that?

It is difficult to find any business concern that we can compare this country with; the only company we can compare it with is the Canadian Pacific. The ordinary operating expenses of the Canadian Pacific for the year 1914 amounted to \$87,000,000, but for the year 1925 they amounted to \$143,000,000. Their expenses have gone up while ours have gone down. I am not asserting that this comparison is complete in every respect; certain things must be taken into account; but one thing we must concede is that this government has not been lavish in the use of its money; it has been an economical government.

The second thing this government deserves credit for is the way in which it has handled the Canadian National Railways. When this government came into power the Canadian National Railways were yearly showing a great deficit. This government consolidated the railways under its control into a national system under one management, that of Sir Henry Thornton, and it took the railway entirely out of politics. The wisdom of that course of action has been evident in the improved condition of the Canadian National Railways ever since.

During the election there was a great deal of criticism of Sir Henry Thornton; we were told that he had added an enormous burden to our fixed charges. It is true that heavy charges were added to the road in connection with fixing up our right-of-way and improving our rolling stock; but I believe that expenditure has been justified by the improved financial condition of the road. An operating deficit has been turned into an operating surplus. What has been the financial condition of the road from the time it was taken over? If we look at Hansard, page 885 for the year 1922, we shall find that the Canadian National with the Grand Trunk had a deficit of \$16,000,000 for the year 1921. On the other hand the report that we have received for the year 1925 for the Canadian National Railways shows net earnings amounting to \$32,264,414.79, or an improvement of more than \$48,000,000 in five years. Surely that is a good record and a step in the right direction.

Let us also compare the ratio of income to operating costs or, in other words, let us see what it costs to make \$100, because that is the only way in which one can tell how a business is progressing. In the year 1924, for every \$100 the Canadian National Railways made, it cost \$92.68, and for the year 1925 it cost only \$86.83 so that conditions are improving. This ratio compares