

for the curtailment of spending. In my opinion the action could have been more drastic.

I come next to the question of production. Many people have advocated the levying of taxes in such a way as not to interfere with maximum production, and the giving of compensation for maximum and not minimum production. Let me illustrate. A man earning \$20 a day should be encouraged to work harder, and earn \$30 a day. The difficulty today is that the average man does not wish to earn more money on which he will have to pay a higher tax. Obviously, labour is not as productive today as it once was; and we ourselves are not as productive as we were. For myself, when I know that of every dollar I earn fifty cents is going to be taken by the government, I see no reason why, when my income has reached a certain point, I should not go to Bermuda for two months. Something should be done to remove such an attitude of mind on the part of the people.

I believe that the high cost of living is the cruelest thing we have to face today. It matters not how economical we are—and it is for the most part the women in the home who do the saving—the cost of living is so high that all savings are swept away. People on fixed incomes, for instance, those who carry a few life insurance policies or who have kept their bonds, are poorer today than they ever were. Although the cost of living index is said to be 172.5, it is actually much higher than that. By reason of this condition many people are facing stern privation, and I do not blame labourers, or teachers, or artisans for demanding more pay to meet the increasing costs. Parliament must look most seriously into this problem.

The last point to which I wish to refer is international affairs, or, if you will, defence. I have some knowledge about the First World War, but know very little about the events which led up to it; I was a member of this chamber in 1939, and saw the war clouds gathering over Europe; but this is the first time I have had an opportunity to view world affairs in a broad sense. Today we are faced with the threat of a war of ideologies. The nations who believe in God are opposed by a purely materialistic nation which believes that might is right. Some of the followers of Hitler in World War II may have had that ideology, but it did not appeal to a whole nation, as it does today.

I have never been able to understand why communism has an attraction for some people who enjoy the freedom of democracy. It is beyond my comprehension why some people in the city of Winnipeg should vote for a

communist as a school trustee, and as alderman. Why some people in the province of Manitoba would vote for a communist candidate for the legislature, I do not know. I have in mind a certain man in Toronto; I knew his father and his uncle before him; whose belief that communism would help Canadians is something I completely fail to understand.

We have never before faced a dictator with the political power and modern weapons which Stalin has. The Russians at one time were supporters of Karl Marx, but they have long since left Marxism behind. That country today is beyond any doubt a dictatorship of power.

I can appreciate why a man in this country might want to belong to a labour union and go out to fight for its policies. In this connection I should like to repeat what I said on a previous occasion about an experience I had some years ago. In 1914 I ran for office in a district which was almost completely labour. I used to start about 4.30 in the afternoon to canvass the people in that area. One afternoon I called at a home where the father of the family, a labour man, worked in the Canadian Pacific Railway car shops, I believe it was. As he returned home his children ran to meet him in the same way as my children ran to greet me, and I was struck with the thought that he must have the same feelings that I have, and that he is entitled to the same consideration that I am. I never forgot the lesson which that experience taught me. Though the attitude of some men may appear to me to be wrong, I do not quarrel with them for joining a union and supporting its policies. But to return to a thought I expressed earlier. To me it is incomprehensible that any person in this country—or for that matter in the United States, Great Britain or France—should advocate communistic ideologies. But, as the investigation which took place in Ottawa showed, there are people in Canada who do such things.

There was a time when international affairs, or questions arising between our government and the representatives of such countries as China and Japan could be discussed in an objective way. But today international affairs mean defence. We can no longer separate the two. Canada is a small country with a scattered population and great natural resources. I do not need to enlarge on that first proposition. Canada has 14,000,000 people; the United States, 150 million; Britain, I suppose, about 45 million; Russia, 180 million. Were all our people located in Ontario and Quebec, their numbers would be quite impressive, but they are scat-