

The Address—Mr. Meighen

Now I read the following from last year's Speech from the Throne:

The stabilization and control of freight rates on grain from the head of the great lakes to Canadian ocean ports and thence to Liverpool, are receiving the closest attention.

The only thing incubated last session had reference to the rates on the lakes. I do not know what was equalized; I never could see what that word meant in this connection at all. But whatever was done in the way of pretended control resulted in a complete fiasco.

I pass from that to something else which was stated to be also in the government's mind.

The important subject of marine insurance as affecting our ports; the permanent equalization of the rate on Canadian flour, and the removal of discriminations in ocean rates on other Canadian products are receiving attention.

Parliament has not yet been informed what the result of the attention has been in so far as this insurance question is concerned. Has nothing at all been the consequence of all the mental worry of the administration? And what has been done about the equalization of the rates on flour? What have they been "equalized" with? I asked last session what in the world the clause meant, and I got no answer. I find now that it meant nothing, for, so far as parliament has been advised, nothing whatever has been the consequence. Last session it was "receiving attention." Now we are advised in the Speech from the Throne of this session that there is to be a bill to control ocean rates.

Now I return to the feature of the Speech from the Throne common to this session and to last. Possibly I had better read the words of the Speech in this regard as it appears in Hansard of last Thursday:

Since prorogation, the economic situation throughout the world has notably improved.

I do not dispute the facts of the case. It certainly has improved in the United States. I fancy the general assertion is true.

For Canada, the year 1924 was a period of substantial progress. In trade alone, the excess value of exports over imports was more than \$260,000,000. The present year opens with prospects of sound and steady development. The financial and trade situation justifies the expectation of an early return to the gold basis.

Let me follow this with the reading of the corresponding subjects in the Address of last year:

I am glad to be able to congratulate you upon the many evidences of increased prosperity. Though the general economic situation still reflects the consequences of the World War, the records of production, trade, transportation, employment and public finance have been uniformly increasingly favorable throughout the Dominion. The state of general employment has been distinctly better. The volume of business has steadily

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increased, especially has the country reason to feel gratified at the expansion to a notable degree of its public revenues and decline of its expenditures.

Then comes this paragraph couched in apostolic diction:

I am persuaded that a reduction in taxation, and in production and transportation costs, such as will encourage the investment of capital in industrial enterprise and attract settlers in large numbers to our Dominion, are all that are necessary to effect an economic development hitherto unparalleled.

Forthwith the government commenced to effect just what they said they were persuaded would bring about this very desirable result, reduction in taxation and in production and transportation costs, "such as would encourage the investment of capital in industrial enterprises." I am going to make an examination of what really has followed these prognostications. I do not propose to say that there has been no encouraging feature at all in the twelve months that have gone by. If there is one, it is to be found in the import and export trade returns. I do not dispute the accuracy of the statement that our exports for the calendar year 1924 showed over imports a favourable balance of some \$260,000,000. Hon. gentlemen in other days were accustomed to ridicule the boast by any government of a "favourable" trade balance. I never had any sympathy with that ridicule. I like a favourable trade balance. But a favourable trade balance under certain conditions means one thing, and under other conditions does not mean that thing at all. A favourable trade balance produced by sound policies arising from sound conditions is certainly something to be desired. In Canada we must have a favourable trade balance of about \$300,000,000 to avoid going back in outside obligations alone, because our debts to the outside world compel us to send that amount annually to creditors beyond our shores. But how does the trade balance to-day arise? Is it sound in every respect? In many respects it is. The trade balance is accounted for by a very heavy harvest in 1923, by very favourable weather conditions the export extending into the year 1924, and, as well, by high prices for the year 1924, prices which have undoubtedly resulted in amelioration of conditions in western Canada—not to any very marked degree, I am sorry to say, but that there has been amelioration there can be no doubt. These things are sound and right, but nobody could argue sensibly that they flow from any government policy. The government had no more to do with them than with the eclipse of the sun last month. There are other things, though, which while equally foreign to government policy are not fundamentally as sound. Our wood exports