With regard to the outside capital invested in Canada Mr. Taylor says:

Of new issues of Canadian bonds and preference stocks, approximately $290,000,000 were sold in the United States, and $13,000,000 in the United Kingdom. About one-third of this amount was for refunding purposes, so that the new money from these new issues of securities would be about $190,000,000 from the United States and $12,000,000 from the United Kingdom. About one-half of these new issues were for power or pulp and paper developments.

I think perhaps this accounts for the fact that our imports were large in recent years. We are importing what is necessary to develop our paper and pulp resources. Mr. Taylor gives the following preliminary estimate of the total outside capital in Canada as of January 1, 1928:

United Kingdom.. ..	$2,110,000,000
United States..	3,031,000,000
Other countries.. .. .	236,000,000

He says:

The interest and dividend payments on this outside capital invested in Canada have been estimated at $254,000,000 during 1926, divided as follows: United Kingdom, $105,000,000; United States, $137,000,000; other countries, $12,000,000.

This huge volume of interest has to be paid some way. We pay it in the only way in which interest is paid to-day, that is in goods. I submit that this is the reason for the so-called "favourable" trade balance. And may I add in that connection that these men who are enjoying these very large returns from Canadian investments pay no income tax whatever to Canada, since they are resident in the United States.

I should like to give one other set of figures as presented by Mr. Taylor. These figures appeared in the Financial Post of February 3, 1928. They have reference to Canadian investments abroad; for there is the other side of the question which I do not want to forget. He gives the following preliminary estimate of Canadian investments abroad as of January 1, 1928:

Total..	$1,362,400,000
In United Kingdom ..	118,000,000
In United States.. ..	722,200,000
In other countries.. ..	522,200,000

And adds:

Interest and dividend receipts on Canadian investments abroad have been estimated at $63,000,000 for 1926, divided as follows: From United Kingdom, $6,000,000; from United States, $34,000,000; and from other countries, $23,000,000.

May I point out that if I were a protectionist I would suggest: Why not develop our Canadian natural resources by keeping our capital at home? I would suggest: Why not a super tax on this capital which is invested abroad? I think I should be quite consistent in urging that we develop our natural resources in Canada where more capital is necessary. If our financiers think they can make greater returns by investing in Mexico, or in South America, or in Cuba, I suppose that is their business; but if we really are in earnest about developing our own natural resources why cannot we take some means of keeping Canadian money at home?

The Minister of Finance states that work and thrift are the only sure roads to success. I suggest that this is one of those very dangerous half-truths that are frequently put upon an innocent public. Let me ask, will work and thrift bring financial success to an individual to-day other than to a very limited degree? How have our Canadian fortunes been made? If you go into any of our cities you will find many men have made their fortunes through land speculation, and many of the wealthiest people have made money by gambling on the grain or stock exchanges. You will find that a still larger number have managed to lay the foundations of their fortunes by securing special concessions and privileges. That has been true all through the history of Canada from the lavish grants of lands in the early days—yes, I might go even further back to the grants of special privileges to the Hudson's Bay company by the imperial parliament. Then we come right down to our railway charters, bank charters and all the rest of it. We have to consider in this connection all the devious methods of high finance, watered stock and things of that sort. I came across a statement somewhere which I think is rather too cynical but which might be taken as suggesting a portion of the truth. It was alleged that to financial success nowadays men can climb only by crooked stairs. Certainly when the minister enunciates as a great truth that, for the individual, work and thrift are the only sure methods of success, he is not at all in accordance with the facts of the case as we see them round about us.

Will work and thrift bring general prosperity? I do not believe that this either is clear under existing circumstances. Already we have so-called "over production;" that is, more goods are being produced than can be bought back with the resources at the disposal of the consumers. Indeed, many economists of high standing have suggested that one trouble with the world to-day is that there has been in one sense too much thrift; that on account of the unequal division of wealth the people who so very largely control the processes of manufacture, distribution and exchange, are able to retain in