

tion. With the exception of the period of the great war, Canada's business barometer has always pointed upward during Liberal administrations and downward under Conservative governments. One of the best illustrations of this fact is to be found in the operations of all the Canadian railways since confederation. Car-loadings do not lie. A former official of the Intercolonial Railway, who has been observing them over the last sixty years, has noted that their curve has always moved in a contrary direction to tariffs, being high under Liberal administrations, with low or moderate tariffs, and low when tariffs are high.

The voters of Canada understood this quite well in 1935 when they gave to the Right Hon. Mackenzie King an unprecedented mandate to bring back prosperity to the country.

Our volume of trade with overseas countries, while not as great as with the United States, is most gratifying. Our treaty with Japan continues to be beneficial to Canada and the government, in spite of the dire prophecies uttered last year by the right hon. the leader of the opposition (Mr. Bennett), still exists and has so far escaped the humiliation to which it was said to be doomed. On the contrary, this humiliation fell upon our textile industry whose voracity at the expense of the Canadian people was fully established. The definitive conclusion of the trade agreement mentioned in the speech from the throne, the approval of the treaty with Germany, the negotiations actually in progress with Australia and several other countries, promise well for the coming fiscal year.

That is why, Mr. Speaker, we look forward to this new year with so much confidence; that is why the hon. the Minister of Finance (Mr. Dunning) foresees for the near future not only a balanced budget, but a series of ample surpluses, as in the prosperous years from 1921 to 1929.

(Text) I have so many friends, Mr. Speaker, from coast to coast, especially in my own native province, friends both in and out of the medical profession, who speak the language of Shakespeare, that I consider I should be remiss in my duties of friendship and esteem were I not to say at least a few words in the language through which these friendships were born and nurtured. May I avail myself of this opportunity of conveying my deepest gratitude to hon. members of this house, without distinction of party affiliations, for the many kind words they have said with reference to my late father. I am particularly indebted to the right hon. Prime Minister (Mr. Mackenzie King) and members of his

cabinet for the many kindnesses to my father during his last illness and for the honour paid to him by their presence at his obsequies in July last. The county of Gloucester will long remember the visit of the Prime Minister and his colleagues for the purpose of accompanying to his last resting place a man who had served the interests of the county for half a century.

I cannot abstain from paying a special tribute to the right hon. Leader of the Opposition (Mr. Bennett) for his touching mark of esteem in a personal letter he wrote to my late sire two weeks before he passed to the great beyond, and for the personal references to him made later in public addresses. All this shows the estimable humaneness of the man who is the distinguished leader of a great party. These written and spoken words of a political opponent glorify the membership of this House of Commons, and so long as such amenities of good fellowship exist among its legislators, the Dominion of Canada need never fear for its future destiny.

The hon. member for Essex West (Mr. McLarty) has covered so well the ground upon which rests the speech from the throne that there remains very little for me to add to complete the picture. However, there is one matter about which I should like to make a few remarks; I refer to the question of unemployment and direct relief.

While the government is to be congratulated on the excellent work which has been done by the national employment commission since its inception, nevertheless, in spite of a marked improvement in economic conditions throughout the whole country, unemployment continues to be Canada's major problem. We must ask ourselves the reason for this surprising paradox of unemployment in the face of such rapid economic progress. No matter how laudable was the intention of those who initiated direct relief as a means of helping the unemployed on this continent in 1930, direct relief is to-day considered by the leaders of thought in Canada, and especially in New Brunswick, where we are making use of every endeavour to bring direct relief to an end, as one of the greatest economic and psychological fallacies of the century. It may have had its place, as a strictly temporary emergency measure, at the beginning of the depression period, when so many thousands of our people were thrown suddenly out of employment, but its continuation as a state-supported form of charity, as the subsidizing of idleness, without asking any return in the shape of human endeavour, is sapping the morals, the vitality and the finances of