

the opposition believe that the Liberal government, formed by a Liberal party, should have gone farther than they did go in the matter of reducing these indirect taxes. That is possibly a criticism which could be expected. But if it is intended to have the people of Canada believe that if we were to have a Conservative government returned in Canada we should have decreased indirect taxes, then I would refer hon. members and also the people of Canada to the record of the Conservative party in that regard.

If one goes back over the years one finds that each time that party has been in power in Canada they have not only in their first budget but continuously in one budget after another raised the indirect taxes, and particularly the tariffs, against the people of this country. Probably I should not need to go any farther back than to the most recent government of that type which we have had, to be able to say that during the period they were in office, in the special session held in 1930 and in the regular session held in 1931 when they brought down their first budget, they raised tariffs to the highest levels at that they had ever been in the Dominion of Canada, even under the old national policy. Then having raised the tariffs to the highest levels at which they had ever been, they increased the next type of indirect tax, known as the sales tax, from one per cent to six per cent in two succeeding budgets. With regard to the excise tax, in each of the first three budgets brought down by the Conservative party during that period of time they increased the excise taxes upon the people of this country.

I need only say that if the Conservative party expect the people of Canada to believe that if they were returned to power they would lessen the indirect taxes upon the people, it will require a much stronger declaration on the part of that party than the mere statement that the Liberals should have gone farther.

On the other hand we have the Liberal record in connection with matters of this kind. The Liberal party went out of office in 1911, as is within the memory of most hon. members sitting in this house, on the issue of reciprocity and the general reduction of tariffs in Canada. They remained out of office until the end of the first war. When they came back and took over the government of Canada in the difficult circumstances which followed that war, the government of the day reduced tariffs continuously throughout their period in office, and also reduced the sales tax as well as other excise taxes, so that at the end

of their period in office the rates of taxation in those lines stood at low levels as compared with any previous periods in Canada. And I might go further and say that all forms of indirect taxation in Canada today were brought into being in the first instance by a Conservative government. It is true that some have been maintained in part by the Liberal governments which succeeded those Conservative administrations, but in only one instance has there been an increase in one of these indirect taxes. That was the instance referred to a moment ago by the hon. member for Peel (Mr. Graydon), when he said I might have gone a little further. Yes, I might have gone a little further and said the sales tax was increased by the present government in the budget of 1936, in order to take care of the costs which had been placed against the people of this country while the previous government was in power. The intention of the government was to reduce that taxation, just as it had done in other instances. But, Mr. Speaker, we have been through a war which lasted for six years. During those six years the cost of carrying on government was greatly increased, with the result that up to the present time it has not been found possible to reduce that particular form of taxation.

However, in spite of the fact that we were in the midst of war; in spite of the fact that prior to the war tariffs had been greatly reduced under the present government, we went further and entirely removed the duty on farm implements entering Canada, thus carrying out the pledge that had been given to the people of Canada by the Liberal party and repeated over a considerable period of time. So I say that if the people of Canada are looking for a government that is likely to decrease indirect taxes at any time, if they base their inquiries upon the experience of the past they will look to the Liberal party, which on every occasion it has been in power has carried out that undertaking to the people of this country.

Now coming back to the statement made in the amendment itself, may I say that this amendment was added to by the leader of the C.C.F. party (Mr. Coldwell). He did not criticize the amendment of the official opposition. He did not say any portion of that amendment should be left out. He merely added to it. In the amendment introduced by the leader of the C.C.F. party he said the budget should be opposed on two points, and directed the attention of this house and this country to the two particulars in connection with which he suggested the Minister of Fin-