

precedented. Not in one or two directions, but practically in all, remarkable material progress has occurred—in agriculture, in many lines of manufacturing, in mining, forestry, trading, water power production and building construction.

Then, concluding his address, Sir Charles said:

In conclusion, may I say there never was a time in the history of Canada when business as a whole has been at a higher peak than during the year under review, or when the developed resources of our wealth were more wide and varied than they are to-day, and never a time when the earning power of our people was sustained in so many channels of production. We must not allow a possible temporary reaction, the result of a collapse in a purely speculative orgy in the stock markets, unduly to distort our view. Fundamental conditions are sound, and there is no reason for apprehension as to the ultimate future of Canada.

May I return now to tests which my hon. friend has himself suggested, I have already remarked, he has ignored altogether the three reasons which in each case account for conditions being at the moment what they are. He spoke first of railway earnings. I have in my hand a statement made by Mr. Beatty, chairman and president of the Canadian Pacific Railway Company. Mr. Beatty draws attention to the fact that railway earnings have gone somewhat behind, but what does he say?

These figures may be taken as indicative of what the unusual grain situation has meant to the railways and to some extent also, to the general business of the country. It is inevitable that such a condition should have its due effect, but I take it as a sign of the times in this country, and an evidence of the fact that Canada is fast developing along the lines of broadened industrial and commercial activity, that the resultant disturbance to the ordinary business has been surprisingly small, and apparently at the present time is relatively unimportant.

I give those words to my hon. friend—"relatively unimportant"—as words which I hope may help to correct his perspective.

Now I come to his next point, stock market prices. I do not recall at any time having quoted stock market prices.

Mr. BENNETT: I can show them to you.

Mr. MACKENZIE KING: If my hon. friend can show them to me, then he must be correct. May I point out however, that there is a very great difference between the prices of speculative stocks and the prices of stocks and bonds of a fundamentally sound character, and I feel certain that any prices to which I may have referred were of the latter nature.

As to the cost of living, I think my hon.

friend will find that the cost of living to-day, so far as the consumer is concerned, compares favourably with what it has been in former years.

As to the balance of trade, it is quite true that at the moment the balance of trade is not as favourable as it was. That too is accounted for by the circumstance that our wheat and flour have not been moving forward, that we have not been exporting the quantity of these commodities which we usually do at this time of the year. It is due also to another cause, which really helps to emphasize the growing prosperity in Canada. It is due to the large importations of raw materials for our factories. That is one of the reasons why the balance of trade is not now so favourable. It is because we have been importing a very great deal more in the way of raw materials from the United States for our factories than has been the case in former years.

As to employment, the figures that I have given are, I think, sufficiently conclusive as to general prosperity. I would just repeat what I have said as to the record as shown by the Bureau of Statistics, namely, that employment in January of this year was at a higher level than in any other year on record in the Dominion Bureau of Statistics. Taking 100 as the index figure of average employment in 1926, the figure stood at 111.2 on January 1, 1930, as compared with 109.1 on January 1, 1929, and 107.7 on January 1, 1928. So far as employment in the factories is concerned, I shall not give the figures for a series of years, but I will make a comparison between conditions in Canada and the United States, and I give these figures because a good deal has been said by way of comparison of conditions in the two countries. My hon. friend the leader of the opposition did not mention this afternoon what the American federation of Labour has stated, namely that there are over 3,000,000 unemployed in the United States at the present time. Any comparison between the United States and Canada on the question of unemployment will show the United States to be in an unfavourable position. Take the figures of employment in factories in Canada last year, 1929, and compare them with the United States figures. Our Dominion Bureau of Statistics compiles these figures by months, taking the first day of each month, while the United States bureau takes the 15th of the month, and an allowance will have to be made for a slight difference on that account. Taking