

Minister of Finance, pointed out that all was well; yet within a few short months a nation that depended upon its external trade found its favourable balances destroyed, with adverse balances created and depression upon us unequalled in the history of the country. It is true that the depression was not limited to Canada, but it cannot for a moment be denied that the conditions that exist in this country, to which the Minister of Finance referred in 1929 and 1930, are conditions that obtained in 1937, and the interruption of that seeming prosperity—for I call it but seeming when it depends upon export trade—in November and December by a falling off in our export trade to the extent of many millions of dollars, cannot be explained solely by the lessening of wheat exports. When we contemplate these matters those of us who remember that history has an unfortunate habit of repeating itself must reflect as to what steps are being taken by the government of the day to provide against the conditions of which these are symptomatic signs. You have it in the United States; you have it here.

It is worthy of note, further, that the seeming prosperity to which attention is directed with respect to export trade as well as with respect to domestic activities is not unconnected with the armaments being provided by the nations of the world. I wonder if trouble has been taken to investigate the extent to which our export trade, to which reference is made, depends upon the production of war materials by nations that are providing armaments for their own defence or for aggressive purposes. I wonder if that is being considered. I wonder if the government realize that upon an analysis of those figures, which properly may be made at some future time, it will appear that the prosperity to which we allude depends in no small measure upon the armaments that are being created by the nations of the world, for the production of which Canadian raw materials are being acquired.

That in itself should make the minister pause and reflect, for I recall that in 1930 he reduced the sales tax in the face of a positive deficit. Then when he came into office he increased it from six per cent to eight per cent.

But, Mr. Speaker, I want to go a step further. As I came in the hon. member for Renfrew North (Mr. Warren) was referring to the great revenues that this country has been producing, and he pointed out that not in the history of Canada had we ever raised so much money as national revenue as we have collected during the last few months.

Stripped of verbiage, Mr. Speaker, that merely means that the Minister of Finance imposed higher taxes per capita upon the people than have ever been imposed upon them before. That is all it means. There is only one method by which money can be collected. That method is by taxation. I was blamed once for directing attention to that fact. The taxes imposed upon the Canadian people during the last few months have been higher per capita than at any time previously in the history of this dominion. Yet we rejoice and say, "Behold, the great revenues we have taken from the Canadian people. We have retained the excise tax that we raided against when we were out of office. We have retained the three per cent excise tax upon commodities coming into this country." Before the previous government went out of office it removed it with respect to Great Britain and the British Empire. "We have retained our sales tax, not at the old rate of six per cent but at the rate of eight per cent," which in itself has been a tremendous tax upon business. "We have retained the three cent postage rate," and the hon. gentleman who has just taken his seat, who rejoiced over these great revenues, must have reflected upon the fact that while in days of great depression, in order to maintain the service, it was necessary to make the rate three cents per ounce, in these days of abounding prosperity, the same rate must be retained. Rather than boast of the surplus with respect to the Post Office Department he should have said, "I regret that there has been no increase in the amounts paid to rural mail carriers. I regret that there has been no reduction in postal rates." I recall that last year I asked the minister whether or not he thought it was likely that he would be able to make any such reduction, and he regretted that it would not be so. Now his faithful follower comes and says, "Behold the surplus; behold the surplus!" Is it the purpose of the government to conduct the Post Office Department simply to create a surplus, or is it the purpose to render a service to the public? Can they rejoice because men who were poorly paid when the minister was not in office are now paid at the same rate? It all depends upon where the minister sits.

So far as I have been able to see, the Minister of Finance has not remitted the stamp tax on cheques, nor have I heard of a remission of the excise tax. Who within the sound of my voice can for a moment forget the pathetic tale which was unfolded day after day about the iniquitous sugar tax? Why,