

the construction of great railways throughout the country. I am speaking now of borrowings necessitated to meet actual current conditions. Where we might have hoped for some evidence of decreases in the general cost of government, there has been but little. With regard to trade, where we had hoped the figures would show that our trade was at least holding its own, the decreases were very considerably greater than they have been at any time within the period of a year. Similarly the decreases with regard to revenue have been greater than they have been in previous years, particularly from one source which I shall mention later. And finally, it is generally conceded that the purchasing power of the Canadian people stands to-day at a lower figure than it has been at any former period. Along with all this there are the figures with relation to unemployment. We were told by hon. gentlemen opposite that if their policies were put into force, unemployment would be speedily ended. But the figures this year as given by the Minister of Finance and referred to by him indicate that unemployment is worse than it has ever been in the history of the Dominion. So I say, Mr. Speaker, that the picture of the country's condition which has been presented by the Minister of Finance is the gloomiest, the most dismal, the most depressing that has ever been depicted by any minister of the crown in this house.

Hon. gentlemen opposite have endeavoured to make it appear that this condition has been due to world conditions. I wish to say that world conditions have had a great deal to do with it, but what there has been of ill effect in world conditions has been greatly intensified by the policies of hon. gentlemen opposite. In speaking of the policies of hon. gentlemen opposite I refer to three in particular. First, the policy of hon. gentlemen opposite with respect to the Imperial conference of 1930. If that conference was a disaster, was a tragedy, was a fiasco, as we all know it was, this was due more than aught else to the method of approach of the Prime Minister and the proposals and policies which he presented to the conference; it was due to the manner in which Canada's position was presented in London in 1930. If great good is to come, as we hope it may, out of the conference of the present year, which is the postponed conference, there will have to be a vast change in the manner of approach by Canada's representatives and in the policies and proposals which are presented in the name of Canada to the conference.

[Mr. Mackenzie King.]

There will have to be many changes, some of which I shall indicate a little later on.

But in addition to the policies with respect to the conference, there are also the policies of hon. gentlemen opposite with respect to the tariff. I submit that those policies have had a very far-reaching influence in bringing about the disastrous effects which are felt so widely at this time. We know that at the special session of parliament the tariff was raised to heights almost inconceivable, and that again at the last session the tariff was raised still higher. In the budget which hon. gentlemen opposite have brought in this year there is a still further increase in the tariff notwithstanding that such is said not to exist. I am referring, of course, to the so-called excise tax which has been increased 200 per cent and which in reality is an increase in the tariff. These increases in the tariff have had the effect virtually of prohibiting the entry of goods to any considerable extent into this country. The tariff has ceased to be what we used to speak of as a protective tariff. It has become, as it has been described by some of the journals of hon. gentlemen opposite, a prohibitive tariff. It is a tariff different in kind from anything that Canada has ever had before, and that prohibitive tariff has had a very serious effect upon trade, and having affected trade, it has had a very serious effect upon business generally and upon human well being throughout the country.

Then there has been the policy of hon. gentlemen opposite in the administration of the tariff, a policy which time and again has been referred to in the course of this debate as having led to great uncertainty and great instability as respects the tariff. We have often heard in this house of the importance of stability and certainty in regard to all taxes and in particular with respect to the tariff, but I venture to say that even hon. gentlemen opposite will not for one minute deny that the tariff as it has been administered under the present government has been unstable, has been uncertain, has been of a character which has caused the business community to be filled with dread from day to day as to the conditions with which they might be faced on the day following. The instability of the tariff as the result of the way it has been administered, in addition to the prohibitive rates of the tariff itself, have had a far-reaching effect upon the trade of the country, and through trade upon business, upon taxation, upon unemployment, and upon all the other matters which have an economic relation one to the other.