

scribed to the united nations organization, committing this country to do its fair share in the maintenance of peace. In that spirit it undertook to share the duties of occupying enemy territory in Europe, but it has recently announced that we will no longer share these duties.

With the policy of bringing back to Canada those who went abroad to fight the war, we are in agreement; but according to peace-time plans announced by the Minister of National Defence we are to have a standing army of 25,000 men. Meanwhile the government gives us no indication as to whether the occupation forces that are being withdrawn are to be replaced by any other troops. This government committed itself at San Francisco to sharing in the responsibilities of peace. Having sent an occupation force into Germany, it now withdraws that force, leaving Britain to assume Canada's self-imposed task. What the people of this country expect and what parliament desires is a satisfactory explanation of that procedure—not as to bringing home the boys who went away to fight the war, but as to the government's sudden change of policy in respect to sharing the occupational duties with our allies. What we want to know is whether the government is backing away from the international responsibility it assumed at San Francisco, or some other explanation that will justify leaving to Britain alone the burden of occupying the British zone in Germany.

Now I should like to say just a brief word on dominion-provincial relations. The speech from the throne tells us that the coordinating committee met in January, and progress was made. It is to meet again on April 25, and we are told that we may have some legislation arising out of that meeting. Throughout the life of this government this problem has been before the Canadian people. For ten years it has been before it in an intensified form, yet the government has been scarcely able to keep abreast of the problem, let alone accomplish its solution. The government knows the problem; it has known it for years, yet it has permitted inequities to continue. This parliament, if I do not misjudge it, will expect the government to see to it that whatever weaknesses are inherent in our dominion-provincial set-up are corrected in such a way as to assure a reasonable standard of social services for Canadian citizens in whatever part of the country they may happen to live. I think the parliament of Canada will support such a policy, and I sincerely trust that the representatives of this government and the

[Mr. Bracken.]

representatives of the provinces will be able to accomplish an understanding that will achieve this objective.

I have now referred to most of the matters touched upon in the speech from the throne, but parliament and the House of Commons has more to do than pass and administer laws. The parliament of Canada is a big business institution. The business of government in Canada is the biggest business in Canada, and it affects us all very intimately. For five minutes I want to refer to that business. I referred to it a year ago, and the Prime Minister did not like it. He thought it was a matter for the budget, but this is the last opportunity to raise these matters before the budget is brought down, hence I want to leave these suggestions with the government before that time.

Before the war the government's annual expenditures were, in round figures, \$500,000,000. In the last fiscal year they were ten times that amount, over \$5,000,000,000. I am not at the moment criticizing that. In 1950, with the war five years behind us, it has been estimated that unless the government mends its ways we shall be spending between \$1,500 million and \$2,000 million a year; in other words three or four times what we spent in the peace-time years shortly before the war. At the moment I am presenting these facts only in order that we may look at them and try to figure out how best to meet the situation.

In the war years about half the cost of the war was paid out of taxes; the other half became a mortgage on the taxpayers in the form of debt. In the last year before the war our gross debt was \$3,700 million. At the end of the fiscal year ending in 1945 it had grown to \$15,700 million, or more than four times the pre-war amount. At the pace at present indicated by the government, the gross debt in 1950 it has been estimated may approach \$20,000 million which, even at 2½ per cent, would carry an annual interest burden approaching the total of all government expenditures in the year before the war.

With respect to taxes, the government collected from all sources in the year before the war, in round figures, the sum of \$500 million; and in the 1945 fiscal year it collected more than five times as much or over \$2,600 million.

What is the result of all these increased expenditures, increased debts and increased taxes? In 1929 the government took just eight per cent of the people's total income in taxes. In 1939 it took over twelve per cent. In the war years it took much more, for which we make no complaint. But when the end of the war is five years distant, if we are