

correct. I do not know what may have been published in the newspapers or over the radio, but if that was said, certainly it is not true.

THE BUDGET

DEBATE ON THE ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed from Monday, June 26, consideration of the motion of Hon. J. L. Isley (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means.

Hon. W. E. ROWE (Dufferin-Simcoe): Mr. Speaker, the presentation of the budget by the Minister of Finance, covering the annual expenditures of the government, has long since become a traditional custom in our form of parliamentary government. The people of Canada view with keen concern the heavy expenditures proposed in the budget now before the house. It is indeed a shocking reminder of the grim national purpose for which these expenditures are chiefly required. After almost five years of participation in civilization's most titanic conflict, our gallant forces are now engaged in a clash of arms more crucial than history has ever recorded. On many seas, in far-flung lands and in distant skies, they grapple with unprecedented forces to save our way of life. To those who have already laid their lives upon the altar of this nation's freedom we offer our deepest respect. To those who yet march in this great crusade we owe the full support of every fibre of our national being. Let us not boast, but humbly recollect that great expenditures of capital, great production of war materials or great debts for posterity are not the real sacrifices of war. The sacrifice of life and limb with the disillusioned hopes and aspirations of their family associates, is the greatest cost.

Since the outbreak of this war our people have stood ready to cooperate under courageous leadership which would fearlessly and swiftly marshal our great forces of men and resources. While our numbers are small, Mr. Speaker, no country engaged in this war has had a people more willing and capable, with resources more plentiful or better adapted for the great task of an allout war effort.

May I pay tribute to the valour and gallantry of our fighting forces in the tragic tests of land, sea and air battles. No finer generations of manhood and womanhood ever complemented this young nation than those young men and women who are to-day in His Majesty's forces. Secondly, may I pay tribute to those men and women who are not privileged to serve in physical conflict, but

who have given their best skill and energy in toil and direction of factory and field production.

Our magnificent volume of production during these war years is indeed a great compliment to the genius of our people and the efficiency of our industrial organizations. No people were more fitted to meet this test than those whose lives have been free, whose experience has been in matching the forces of nature in a new country, where individual freedom in every creative sphere has developed independence, self-support and confidence in their own initiative.

The phenomenal production of war machines and munitions has been made possible, chiefly by the adaptability of our splendid workmen and the ingenuity of our technical and scientific men under the guidance and enterprise of well-trained industrial executives—some of the best-trained industrial executives of the world. These elements, supplemented by the thousands of agricultural workers and other primary producers unfolding the rich natural resources of this great country, have maintained Canada as a potent force in these tragic world affairs of to-day. Our progress in such production has been an important part of our war effort. While our numbers in the fighting forces are few, yet, associated with powerful and great fighting allies, we shall win this war.

We behind the lines are challenged so to direct our nation's affairs that it shall not be merely "victory at any cost" but "victory at a minimum cost"—that it shall not end as a "war won and a peace lost," that it shall not result in foreign slavery avoided and home freedom surrendered. We are challenged to provide a full all-out war effort by the maximum utilization of our man-power and resources. This is what we are asked to do to-day against terrific odds. Greater equality of service during this conflict—yes, and equality of opportunity in peace, are our people's right and our government's responsibility.

The budget that has been presented to this house covering the estimated expenditure of six billion dollars is the highest in the history of this dominion. In short, it is now proposed that this colossal undertaking shall be achieved by a policy of increased expenditures on the one hand, with decreased revenues and higher borrowing on the other. The old policies of pay as you go, and those safeguards from inflation we have heard so much about, and the control of ordinary expenditures, which were adopted for war, are now disbanded for election.