

ever may be the various opinions of the government, we all know there is no regulation to-day. We all know that the grain commission which is supposed to have certain powers to define shippers or shipowners, has never exercised those powers, and does not control the rates at all. We know, as well, that the attempt this government made to establish control of rates on the lakes resulted only in the humiliation of the Dominion and in compelling us to throw ourselves at the feet of vessel owners in the United States and beg them to come back and violate the law of Canada. This government had to eat crow at the hands of American vessel owners. Such was the result of their attempt to control freights on the lakes. But, undaunted by their failure in that attempt, they now take to the broad Atlantic, and there they hope to succeed. I am reminded of a quotation given only a few days ago by the versatile member for George Etienne Cartier (Mr. Jacobs), from Childe Harold. As I heard it I thought he probably had this government in mind:

Man marks the earth with ruin—his control
Stops with the shore.

Singlehanded they expect to control ocean rates. I do not know what the plan is; it has not been vouchsafed to us. But the newspaper reports indicate that some arrangement has been made with Sir William Petersen, or the company he controls, under which subsidies are to be paid in large amounts from the Treasury of the Dominion, in return for which, deductions in rates or control of rates is to be secured.

I had placed in my hands just before entering the House the account of an address delivered by Sir William Petersen before the shareholders of the company of which he appears to be the head, two or three weeks ago. In this address he intimated as follows:

The business that I have been about is a little off the beaten track. You have to go out in search of business nowadays. It does not come to you. I have been on a business trip which I think may have resulted in some amount of success and may bring a considerable amount of success to this company. I am not in a position to disclose what the business is, except that it will materialize within the next few months, and I hope that in the early spring we will be able to see our ships sailing under very much more prosperous conditions than at the present prevail, conditions such as most shipping companies are subject to, dependent as they are on the existing low freights.

Sir William Petersen's interpretation of the agreement he appears to have made is that it will relieve his company from the hardships under which they have suffered because of the low prevailing freight rates. Then he adds a word of advice to all the shareholders of his company assembled there not to do as they had been doing, sacrificing their

[Mr. Meighen.]

shares at a discount, but to hold out for par, for if the shares were not worth it then, they soon would be, and he advised them in a very practical way that if any one of them got impatient, just to be good enough to come to him and he would buy the shares from him. So I think it may be fairly presumed that whether this venture is going to be better than the attempt on the Great Lakes for the taxpayers of Canada, it is fully expected to result a great deal better for the shareholders of Sir William Petersen's company.

I wish to make some reference to the Speech from the Throne of last year, just by way of comment on how seriously these prognostications in a Speech from the Throne really should be taken. The first two paragraphs I will read a little later. I start now with the third:

My ministers are strongly of the opinion that a reduction of taxation is of first importance, and that to this end the efforts already put forth to combine strict economy in the administration of the public services with rigorous retrenchment in public expenditures, should be furthered in as many directions as may be possible.

This was the promise of a year ago. The economy so far exercised was to have been furthered in all possible directions. I have in my hands the financial statement of this country to the end of the last day of January, and I find that the result of this promise to curtail expenditure and to exercise rigid economy in all possible directions for the ensuing year has been that the government have spent some \$2,300,000 more than they spent the year before up to the same date, and this in the presence of a loss of revenue of \$50,210,000. This shows that at the end of January, although at that date, \$3,000,000 less in interest was paid on the public debt than had been paid at the same date the year before, we were behind last year the total sum of \$52,601,031. This is "substantial progress"—progress in the way of building up a deficit. The next paragraph went on to say:

My ministers believe, however, that in virtue of economies already effected they will, when the present financial year closes, be able to announce to the country that for the first time since 1912-1913 the national budget has been balanced. They are further of the opinion that when the budget for the ensuing fiscal year is introduced it will be found that the relation between public revenue and public expenditure is such as to justify some immediate reduction of taxation.

How far was that vindicated by the event? I do not care what speech of a member of the government you refer to, you will always find that last year they reduced the debt of Canada by \$35,000,000. The Prime Minister (Mr. Mackenzie King) is especially emphatic