

The following sentence was a gem of that speech:
"Canada still maintains its high place in world commerce."
 280 items in the customs tariff had been increased and 66 decreased during the special session of 1930 and the regular session of 1931. During the twelve months ending August 31, Canada's external trade in 1931 was \$656,741,352. less and in 1932 \$1,088,606,113. less than during the last year the Mackenzie King government was in power. (Hansard, March 29, 1935, p. 2419).

From the Prorogation Speech, session of 1932:

"My government's policy of unemployment and farm relief, consistently and vigorously pursued, has already achieve an amelioration of conditions and forecast steady and continued improvement in both agrarian and industrial communities."

THE EXPENDITURE FOR RELIEF WORKS

On April 15, 1931, Mr. Bennett has said:

"Let this be borne in mind, that the \$20,000,000. involves an expenditure during the next few months of over \$75,000,000. on undertakings that, just as soon as conditions warrant, will be carried on." (Hansard, p.631).

The relief act of 1930 had lapsed at the end of the previous fiscal year, two weeks before he was speaking of undertakings to be carried on "as soon as conditions warranted".

There was more to it. In Mr. Bennett's mind, the provinces and municipalities could spend together nearly twice as much as the Dominion, viz. \$55,000,000. against \$20,000,000. from the federal exchequer. He thus over-estimated the spending power of the provinces and municipalities and induced them to spend beyond their means and their capacity to meet payments. And all that was done under the false label of generous grants from the Bennett government while in fact such a policy was actually piling up liabilities on already overburdened provinces and municipalities. "Timeo Danaos et dona ferentes." It was just an invitation to popular favour. This was his eighth mistake and it explains why only \$14,571,000. of the \$20,000,000. was spent for relief works.

Of the \$42,740,000. spent under the 1931 relief act and the continuance act of 1932, \$32,546,000. was spent on the long run for public works and undertakings, and of that amount only \$6,334,000. was paid in the fiscal year 1931-1932, leaving then a balance unpaid of \$26,732,000.

Mr. Bennett's ninth mistake was to shift the accounting for relief from one fiscal year to the other and to use such red tape for the payment of Dominion contributions to approved public works. Such was the purpose of the continuance act of 1932.

DIRECT RELIEF

"The basis of these measures is work, not charity. It is to provide employment for wages, and not for doles."
 (Mr. Bennett, September 10, 1930; Hansard, p. 66).

In 1930 and 1931, a sum of \$3,540,000. of the \$18,155,000. spent under the 1930 relief act and another sum of \$10,109,000. of the \$42,740,000 spent under the 1931 relief act had already been used for direct relief and provided for doles and not for employment.