

deserving of blame than hon. gentlemen opposite have been since 1930. When it is considered that the minister has had to add to the capitalized debt of this country over \$400,000,000 since taking office, it is a matter for serious thought. When he cannot by any method of budgeting increase his revenues to an extent sufficient to take care of ordinary expenditure, and has to borrow to make up the deficiency, we must admit that such a condition is deplorable. My hon. friend knows, and so does every hon. member of the house, that it is a deplorable position. Yet it is true.

There is one other thing that I want to say now, because my time is limited, and other matters that I intended to deal with I shall have to take up at a later date. I have had some little experience in provincial financing. I have been a member of the federal treasury board for eight years, and I have some knowledge of the difficulties involved in such operations. We have frequently heard the statement, and we heard it reiterated the other day, that there must be a refinancing of the public debt of this country, and that an opportune time will be taken to do it. That is long overdue. Hon. gentlemen opposite make a great deal of the fact that their loan went over so splendidly in Great Britain. But surely there should be some comparison between the drop in commodity prices and the price we have to pay for our money. I am not so concerned about the credit of Canada. I fail to understand why a favourable balance of trade constitutes a bulwark for the credit of this country, when at the same time we are adding annually over \$100,000,000 to our national debt and annually are failing to balance our budget. If I were a purchaser of Canadian bonds I would a thousand times rather see the budget balanced and additions to the public debt cease than have the government able to boast of a favourable balance on our restricted trade operations. So long as the policy of this government is pursued you will have restricted trade operations. You have tied yourselves up for five years to a British trade agreement that has brought disastrous results, and if my hon. friend the Minister of Trade and Commerce wants to be open and aboveboard he will admit that he finds it difficult when he undertakes to make trade agreements with foreign countries. Canada needs foreign trade; Canada must have it, and Canada can have it if she is prepared to exchange goods. But Canada cannot have foreign trade if she is going to demand money instead of goods. Most of the high tariff countries that

have pursued this policy find themselves in exactly the same position.

My hon. friends say, "What are you going to do about a country that refuses to trade with you?" I should like to ask one pertinent question in that regard; I asked this question of the Prime Minister (Mr. Bennett) yesterday when he was dealing with the wheat agreement, with which I shall not attempt to deal at this time. This is my question: How does it happen that our competitors in the wheat selling game have little or no surplus, while we in Canada are carrying over some 219,000,000 bushels into the new crop year?

An hon. MEMBER: That is what we had left over from you.

Mr. STEWART (Edmonton): That is perfect nonsense, that is all I have to say. I just ask that very pertinent question. When our competitors are practically cleaned up we are left with the huge surplus of 219,000,000 bushels of wheat going into this crop year, and it is not likely that this surplus will be very materially reduced this year.

I do not blame this government altogether for this situation. I think the pools will have to take their fair share of responsibility, and I think the pools could have been of immense benefit to Canadian wheat producers. But when they sought to invade European markets with their own agents they took a step in the wrong direction; then we began to build up the surplus, and then the provincial governments had to come to their rescue. Finally the burden got too heavy for the provincial governments, and the federal government had to step in. I have a great deal of sympathy with Mr. McFarland in his attempt to market this surplus; I think the government are to be commended for their action, except that I do believe Mr. McFarland made a very serious mistake in the fall of this year. But we are all human, and this is a very difficult situation. I should like to ask, however, whether it would not have been wisdom on the part of this government to have endeavoured to sell a great deal more wheat than they did sell at a time when our competitors were marketing their wheat. It may be possible that the government had not control at that time, but from that time on we have been in the unfortunate position of carrying over wheat.

What are the prospects of selling our wheat? If the statement of the Prime Minister is correct our prospects are mighty slim.