

Here is how banker management of the gold standard private money system has worked out in the Dominion of Canada:—

Gold, less than..	100,000,000
Money..	200,000,000
Bank deposits..	2,000,000,000
Public and private interest bearing debts.. . .	9,500,000,000

Since 1914, the national government has paid out on account of interest \$2,000,000,000, and we owe \$2,300,000,000 more in 1934 than we did in 1914. Our annual interest charge for the year ending March 31st, 1934, is \$130,000,000, an increase of something like \$15,000,000 over the previous year; and we are faced with an increase in debt of \$132,000,000, and a visible deficit of \$135,000,000.

As I came over the Canadian National Railway, having some knowledge of these things, I could not help but reflect that our greatest deficit is in our breakdown, in our failure to keep up the things that should be maintained on a much higher standard than we are maintaining them to-day and have been maintaining them in the past.

Here are some facts, and you will get them in your Year Book:—

Wealth production in Alberta and British Columbia during the five years preceding 1929, reached a net production of wealth of \$3,011,000,000. After producing \$3,000,000,000 of wealth out of our lands and forests, and mines and fisheries, and our power activities—our natural resources—we wind up on the eve of the most beautiful disaster that ever happened, broke and bankrupt.

By Mr. Spencer:

Q. What year was that?—A. The five years preceding 1929. The figures are:—

	WEALTH PRODUCTION	
	In (000,000) dollars	
	Alberta	British Columbia
1925..	261·5	261·5
1926..	298·0	289·8
1927..	378·5	291·1
1928..	341·4	321·3
1929..	237·4	331·4

Those are, in millions of dollars, the figures of production. The same thing goes for the Dominion of Canada. Our production of wealth out west was fairly large per capita because of the nature of our activities. In the province of Ontario and Quebec it is equally large. You can say that, during the last ten years, Canadians have produced about \$10,000,000,000 worth of wealth, even allowing for the depression in prices; yet, despite that, we are bankrupt. We are broke. We can't build a school. We can't pay a decent pension. We are asking men to work for 20 cents a day out in British Columbia. We are closing our library in Vancouver. We are threatened with the closing of our schools. Our provincial government is in a pitiable state of bankruptcy. They are here to-day asking for \$8,000,000, with which to carry on, and if they don't get it, they say quite frankly, "We can't carry on, we will have to repudiate." If you do give them the \$8,000,000, how long is it going to carry them on? They are going to be back again. There is no remedy to be found in that kind of thing. But there is plenty of evidence indicating the necessity of finding a definite remedy. Now, I want to say this, that in working out a practical remedy I conceived a proposition which I am pleased to call a four point plan. In answering the definite request for information that the King of England made to the

[Mr. G. G. McGeer]