

\$77,300,000; from sales tax, \$72,600,000; from income tax, \$65,600,000 and from excise duties, \$44,640,000. From these four sources of income the government collected \$306,050,000. The total income from all sources amounted to \$362,370,000.

The surtax on income is one of the steps taken to help correct the abuses of capitalism. The Prime Minister has set his face to the correction of those abuses, and this is one of the methods adopted. It is an attempt to take from the greedy capitalist some of his undue profits and distribute them to the people forced to accept relief. It is a signpost which points the way to the future, and if the capitalist does not accept the warning the government will take further and more drastic methods to compel him. It is also another pledge that the Prime Minister's new policy is to go forward to a brighter day for the average man.

The charge of insincerity which has been levelled against the Prime Minister is disgraceful and itself smacks of insincerity. The wish is father to the thought in the mind of the doubting Thomas who makes the charge. The leader of the government has given ample evidence of his genuine belief in the policy he enunciated over the radio, and his every step in legislation since he came into office leads inevitably to that conclusion. I should like to quote from an article that appeared in the *Toronto Globe* a short time ago under the caption of "Crusader of 1914 crusades again, but is he late?" The article quotes the present Prime Minister as follows:

Let me tell you that if ever this young country should run into a period of serious and prolonged depression—such a period of hard times and unemployment as has been known to other countries in world history—those then at the helm will have to pay in costly measure for the prodigality of to-day. They will have to atone for the exploitation of the public at the hands of self-centred and predatory interests by bitter doses of taxation, by radical enactments, by revision and reform of the whole capitalistic system—or face something of far sterner significance and more devastating consequences.

"Mr. Bennett the crusader of 1914 crusades again, but is he late?" Mr. Anderson of the *Globe* asks the question, and the reply has been made from the southeast corner of the house that he is late. But suppose we look at the facts. Is he late when he was the only man in Canada twenty-one years ago who had the vision to see and to watch the trend of events as they marched on to a culmination? Is he late if he is the first man in Canada to grapple with the problems of to-day and attempt to correct them by legislation? I would say no; the charge of insincerity does

not apply. If the Prime Minister in 1914, when he was a young member of this house, had the courage of his convictions then to vote against his party on a question whether or not the predatory interests in this country should be dealt with, he cannot be accused of insincerity. If he had the courage in that year, is it not likely that he has the courage and determination in this year, 1935? I should say he has.

The first thing that the Prime Minister did when he came into office in 1930 was to lay the foundation for his new policy. He called a session of parliament within a month or two of taking office, and in that session he revised the tariff schedules on a large number of items in order to protect this country against economic nationalism. He also put into effect a ten per cent preference as regards trade within the bounds of the British empire. This has been the basis for his plan of preferences between the different parts of the empire on a mutual benefit basis. Economic nationalism throughout the world made it imperatively necessary that we should get markets for our exportable surpluses, and the government of the day naturally turned their attention to the British empire.

The estimated total trade of the world is \$55,000,000,000 per annum. This is divided into imports of \$28,000,000,000 and exports of \$26,000,000,000, the balance being taken up by services, freight and insurance. Empire trade is 27.8 per cent of the total world trade, or \$15,000,000,000, divided into imports amounting to 29.6 per cent of the total world imports and 25.7 per cent of total world exports. Great Britain had a trade in 1930 of \$8,500,000,000, divided into imports of \$5,200,000,000 and exports of \$3,300,000,000. Surely that was the spot for the Prime Minister of Canada to go to find a market for the surplus products of this country. Of the total world production of certain commodities the empire's percentage of production is as follows:

	Per cent
Wheat..	22
Tin..	43
Wool..	44
Rice..	52
Rubber..	58
Gold..	71
Nickel..	88
Asbestos..	90
Jute..	99

Surely with such a production throughout the empire we can find a market for our exportable surplus. The British empire comprises one-quarter of the earth's surface and one-quarter of the world's total population, amounting to almost one billion souls.