

Mr. King has a notion that he can yet bring the C. C. F. supporters into a Liberal party. What the other side thinks, I don't know. But I know the C. C. F. is a positive and growing menace to both the present parties. Our people might be divided chiefly into two classes at present, - those who have lost everything they have and those who hope to save a little of what they have left. Those who have lost everything are willing to have anything for a change, and some of them are wishing for chaos in the hope that those who have left a little will become like themselves and experience the misery of having nothing.

To attempt to run a country on purely political lines at such a time as this, with all the bickerings, unworthy motives, and waste of effort and money, to me is wrong, when unemployment is constantly growing and now stands at the highest figure in our history, when railway returns dwindle further each day, when ships are tied up to rotting wharves, when there is not even the seasonal increase in commerce, when the profits of every business are disappearing, when neither rents nor interest nor mortgages can be collected, when the farming industry is at its lowest ebb, and when no one knows quite what the morrow will bring forth.

I thought, further, that a national appeal, - that is, an appeal issued by a national government to the people of Canada, for the money which Canada must have to carry on this year, would be more likely of success than if made by a government politically divided. Mr. King does not favour a national government because he thinks he has Mr. Bennett on the run and because he thinks there would be no place for himself in such a government. What the Prime Minister thinks, I don't know. (But I am told he thinks I was influenced to say what I did by someone from the outside.) May I say to you that what I did was entirely off my own bat, with no desire to embarrass anyone, but solely with the idea that national emergencies demand a national government. I would much prefer to see us attempt to solve our difficulties as the old country did. There they formed a national government and balanced their budget. We, apparently, intend to do neither.

Take this present budget. It finds little favour anywhere. Everyone expected to pay and was ready to pay increased income tax. But the income taxes, for example, of my professors are practically doubled, whereas the increase in the income tax of those best able to pay the highest taxes has been raised about 8 or 10% only. Then there is this tax on sugar, which has practically doubled the price, and which is bound to prove a very unpopular tax. There is also the opening wedge in an attack on pensions. This proposed action smacks of discrimination; and I think it is attempted in the wrong way, even although directed against the Civil Service, which is about the most unpopular service in the country - and one as much in need of reform as any other. There is also this tax it was proposed to collect from foreign investors, which has had to be withdrawn already. It is felt that there has not been sufficient attempt made to cut