

and banquets as well as forecasts of steamship subsidies, ship-building programmes, etc., looking to trade extension. What have the results been? Quoting from the Government's figures for one year, we find that a trade balance of \$500,000 favourable to Canada has been turned into an unfavourable balance of \$1,500,000; and, in addition, Canada is proposing to subsidize a line of steamships, the cost of which will be roughly \$2,000,000 a year when the line is established, to carry on that trade.

These, honourable gentlemen, are but samples of a number of treaties with other countries that might be mentioned, but these are of outstanding importance, and were brought before Parliament and discussed here. Now, in the light of experience and with the knowledge of what has occurred, we say to the Government that we do not think that their experiments in the line of treaty-making have been a very great success, or have resulted in very great benefit to Canada.

Now let us turn to another subject, that of taxation. Nearly seven years ago the present leader of the Government, who was then leading the Opposition, very violently attacked the Government of that day because of what he termed extravagance and misgovernment. Indeed, to quote his words: the former administration was "full of intrigues and deceptions, full of broken pledges and shattered ideals, of lost visions, of vanished faiths, and contain the seeds of a nations decay." That was the utterance of the leader of the present Government, in the Session of 1921, respecting the former Government which, during the five-year period from 1917 to 1921 inclusive, had collected from the people of Canada \$1,412,000,000 in taxes, and out of those collections had carried on the ordinary government of the country, and in addition there-to had paid \$184,000,000 of the war obligations out of current revenue.

That performance of a preceding Administration having been very distasteful to the then leader of the Opposition, it might be supposed that when given the opportunity to govern, in view of the promises that were made of retrenchment and economy, reduction of debts, reduction in the cost of living, and all the rest of it, at least some of those things would have been brought into effect. But what has happened in the last five years? Perhaps honourable gentlemen may be familiar with the fact, or perhaps they may not have had time to look it up; but the fact is that during the five years following the date when the present Administration came into power, that is, from 1921 to 1926, they collected from

the people, the sum of \$1,623,000,000, that is, they took from the pockets of the same people, during a similar period, \$211,000,000 more than had been taken by the Government that they condemned.

Now, one might suppose that at least that \$211,000,000 would have gone towards defraying the public debt. The war was over three years before they came into power. But what do we find? That on the date the present Government assumed office the net debt of the Dominion of Canada was \$3,197,690,000 while on June 30th, 1926—the date the Government committee hari-kari—the debt was \$3,288,757,000—an increase of nearly \$100,000,000, with \$211,000,000 more collected in taxes. Yet we find this situation from the Government's own record.

It is difficult to understand the reasoning of our Finance Minister when on August 8 he made the statement that he had reduced the interest on the public debt by \$10,000,000. The interest payments by the Finance Minister on the public debt in the year 1921-22 were \$169,723,000, and for the fiscal year 1925-26, for the same purpose, the interest account loan paid by the same Finance Minister was \$171,471,000; so we see that, notwithstanding the tirade of criticism and condemnation that was hurled at the preceding administration by the present Government, and all their promises that were made to mend matters, that this, roughly, is the result.

But we shall be told: "Ah, but see the prosperity that has come to the country; look at the expansion in trade; certainly we must have an increase in revenue and taxation because of the expansion in trade." Now, let us look at that question for a little while. Has there been any real expansion in trade? I picked up a newspaper the other day and saw the annual report of the Canadian Bank of Commerce, one the largest and soundest institutions in Canada, and the gentlemen who presented the Board's report said, among other things, that our surplus of exports over imports was reduced from \$400,000,000 in 1926 to \$236,000,000 in 1927, which is a drop of \$164,000,000 on our export trade in one year, and is more than one-third of the total surplus of 1926.

I notice also by the monthly publication issued by the National Revenue Department that for the nine months of the present fiscal year the money actually received from tax collections exceeded the receipts of 1926 by \$14,458,000. One would expect that there must have been an expansion in business to warrant an increase in taxation, but, with a drop of \$164,000,000 in our export trade, our