

interest on the billion dollars which the CNR owes. The debt will not be wiped off; it will still remain.

**Hon. Mr. Duff:** Hear, hear.

**Hon. Mr. Horner:** What about printing the money?

**Hon. Mr. Haig:** We could do that, but I don't believe in that kind of thing.

The second matter I want to speak about is the estimate of \$4,200,000 for the deficit of Trans-Canada Air Lines and Trans-Canada Atlantic Air Lines. It is very pleasant to ride on TCA, as I did once, from Toronto to Bermuda and back, at the expense of the people of Canada. It was a very nice ride. The plane was not crowded. On the outward journey there were about twenty-five passengers.

**Hon. Mr. Horner:** Why did you not go to Japan?

**Hon. Mr. Haig:** I was not asked, but I will admit to my honourable friend from Blaine Lake (Hon. Mr. Horner) that had I been invited I probably would have gone. It would have been a very nice outing. I am told, although I have never travelled that way, that the plane trip from here to Winnipeg is well worth while; so is the trip to Halifax.

**An Hon. Senator:** At the expense of the people of Canada?

**Hon. Mr. Haig:** I could ride there at the end of this week on the air line if I wanted to.

**Hon. Mr. Wood:** Not on TCA.

**Hon. Mr. Haig:** Yes, I could ride TCA to Winnipeg and back. The honourable senator from Regina (Hon. Mr. Wood) is a new member: he should watch us old fellows; he has a lot to learn.

**Hon. Mr. Wood:** I am glad to know it.

**Hon. Mr. Haig:** The information is free: I charge my honourable friend nothing for it. But I am not sure that the people of Canada can afford extravagances of that kind. That is all I have to say—that I am getting a little uneasy about it. In a day or two the budget will be down, and I assume that the Minister of Finance will heavily reduce income tax rates, make great slashes in our general taxation, and so forth.

**Hon. Mr. Robertson:** There is none left.

**Hon. Mr. Haig:** Oh, I forgot: there is no election this year.

**Hon. Mr. Robertson:** There is no taxation left.

**Hon. Mr. Haig:** The items I have mentioned are for luxuries; and with economic conditions as they are over a large part of the

world today I do not believe that government enterprises can afford to operate in that fashion. If private enterprise wants to try, let it do so. I am not convinced that we are going to make much out of this business. I am sure that the Canadian Pacific Railway is not making any profit from its air enterprise on the Pacific. As to the position of the United States air lines, I do not know; but they have the advantage of serving a very large and wealthy population within their own country. To my mind the Trans-Canada Air Lines and its Atlantic services are a luxury which we cannot afford.

**Hon. Mr. Fraser:** Does the honourable gentleman suggest that we should drop it?

**Hon. Mr. Haig:** I would drop it.

**Hon. Mr. Fraser:** Would he go back to horse-and-buggy days?

**Hon. Mr. Haig:** No, I would travel by the railways, as I have always done. I have regularly travelled by the Canadian Pacific and the Canadian National Railways. I have just travelled by rail to Vancouver and back, and I am still alive. It is true that the journey took a day or two longer than if I had gone by air, but my time is not worth very much, and I had a very pleasant trip.

I have made these remarks because I feel that taxation has become so heavy that unless something is not done to curtail it we shall have difficulties in the years ahead. I do not believe that Canada or any other country should carry on upon such standards when other countries are on a basis of semi-starvation. What caused China to join the communists? Because the people wanted communism? I do not believe it. It is because they are starving to death—five hundred millions of them—and the communists promised to rescue them from their miseries. The same danger threatens in India, Pakistan, Ceylon and Egypt. Billions of pounds are owed to these nations by Great Britain which she cannot pay.

It is suggested that the United States should assume the payments. I do not believe they will do so. I honour the United States for what they have done for the world. They may have made mistakes, but they have tried desperately to promote world recovery. However, there is a limit; their people are beginning to question relief expenditures; and, with all modesty, I suggest that before the election in the United States this year is over some very plain things will be said about their government's expenditures of money for this purpose. Taxation powers to the extent of \$5 billion were denied the American Government last year, and it remains to be seen what will happen to estimates of about the