

in New York relatively at the same time as our issues. I admit at once that that money cost a lot, in fact a great deal more than it ought to have cost. I wish I had had the fixing of the terms instead of the New York bankers. But we had to have the money. In connection with some of those loans that my hon. friend refers to—and they are railway loans—the moneys were not required in Canada, but mainly in the States and in Great Britain. On one of those loans, by making the issue at the right time and taking advantage of the condition of sterling exchange, we saved on capital account, if my memory is correct—the Department of Finance has the figures; I have not—we saved \$16,000,000.

I refrain from again troubling hon. members with the details of these loans, but I want to say that we stand prepared to justify every single loan that we made, having regard to the conditions then obtaining, the price of money, and the commissions that other borrowers were paying. I go further. I assert, and I challenge my hon. friend to deny me, that Canada got better terms in the New York market at that time than did any other nation in the world. I assert also without fear of successful contradiction that Canada's loans were made on a more favourable basis than even were Great Britain's herself. This was all gone over in the course of last year's budget debate, and was never answered. Until these figures were flung at us here without any further substantiation, no attempt was made to answer my statements.

I am going to ask my hon. friend: Will he be content to have his New York loan judged upon the same basis as we are very well content to have ours judged? Great Britain paid bigger commissions than we ever paid; she paid 4.4 and then sold at a discount. It is not because she paid those tremendous commissions and interest during the war, and now is getting a very much lower rate of interest from the American government, that her financiers can be regarded as guilty of wrongdoing at that time. But that is exactly where the hon. gentleman wants to put us.

I give some illustrations of the commissions paid the very day that his \$100,000,000 New York loan was issued. The government's issue cost them—you will see there is two and a half million dollars they do not get and on which they pay interest—something like 5.18 or 5.20. I have not the exact calculation before me, and I am quite content to take any corrected figure that my hon. friend gives me. This issue was heralded as a great financial

feat, but that very day the Greater Winnipeg District sold bonds on the New York market at a rate of 5.1. The city of Des Moines, Iowa, sold its bonds at 4.2. But I want to be fair with my hon. friend; I am inclined to think that in connection with that particular issue there is a partial tax exemption. Either the day before or the day after the city of New York sold \$45,000,000 of bonds to a syndicate, which took them over on a basis of 4.12. Again I want to be absolutely fair, Mr. Speaker. In connection with the New York bonds there are certain tax exemptions to the American bondholder. But that is not the point I am getting at. It does not matter so much what the price is where you have your tax exemption; I am referring to the question of commission at that time. One hundred million dollars of Canadian bonds were sold at a commission of 2½ per cent, and forty-five million dollars of New York bonds were disposed of on a basis of profit of .06 per cent. And yet these things are said to us. I only bring these things up because I am taunted with commissions of four and three per cent. I do not know whether these figures are right or not; I have not the figures; my hon. friend has. I do not go into them. I am quite sure my hon. friend did the best he could, but he did not get anything like what the market at that time afforded, having regard to other commissions paid. Why, everybody knows that the Americans to-day are suffering from a glut of gold. They want to get securities. But how difficult it was to get moneys at times when we sometimes had to get them.

Mr. Speaker, we on this side of the House feel that the situation is grave. We feel that the one thing that ought to be done, here and everywhere, is to practise economy. I am perfectly aware that it is a difficult thing to do. It is an easy thing to talk about, but difficult to do, and I have much sympathy with my hon. friend the Minister of Finance. It is a difficult thing for him to do, but he wanted the job, and he has got it, and he was going to economize before he got the job.

Take, again, the public accounts for last year. The Minister of Finance himself said that last year there had been a saving in expenditure of \$12,500,000. Well, so far this year we practically have no saving at all. The consolidated fund payments this year down to January 31st amount to \$263,000,000. Last year they amounted to \$269,000,000. But just consider the expenditures which have dropped off by themselves. I shall not give them all, but shall mention only three, which are sufficient to account for that \$6,000,000 reduction: Pensions, \$3,046,574 less; Soldiers' land settle-