

The Address—Mr. Mackenzie King

Mr. MEIGHEN: Does the Prime Minister think that if his government had been in power they would have taken care to spend the money during election?

Mr. MACKENZIE KING: I think my hon. friend gave a contract for an icebreaker, amounting to a million and a half, after the election.

Mr. MEIGHEN: No, about a million. The hon. gentleman's government spend more than that for a second hand one.

Mr. LAPOINTE: We spent four hundred thousand dollars.

Mr. MEIGHEN: Besides the repairs.

Mr. LAPOINTE: No, that is not so; that is with the repairs.

Mr. MEIGHEN: I will ask the hon. gentleman to bring the figures down later. He is wrong.

Mr. MACKENZIE KING: Perhaps the hon. gentleman will allow me to give something which will indicate the position of our expenditure at the present time. I have made a calculation of what the total expenditure on controllable account would have been prior to the years of the war, assuming that all amounts at the time corresponded to those now placed on the uncontrollable list were deducted, and I find the following result:

	Total Expenditure	Total un- controllable corresponding to above	Regular Ordinary
1910-11	\$122,861,250	\$25,194,883	\$ 97,676,377
1911-12	137,142,082	30,442,162	106,699,920
1912-13	144,456,877	26,859,645	117,597,232
1913-14	186,241,048	27,613,220	158,627,828

Without making allowances for the fact that the purchasing power of the dollar in terms of services or commodities is about two-thirds to-day what it was in the years immediately prior to the war, it would appear that in controllable expenditure we reached last year an expenditure considerably below that of the last year before the war. Making allowance for the diminution of the purchasing power of the dollar we were really, so far as our controllable expenditure is concerned, at a point considerably below even the last year of Sir Wilfrid Laurier's administration. That is the position.

Now, Mr. Speaker, I have already intimated that, so far as the present year is concerned, at the end of it, as a result of the economies the government has effected, as a result in part of the increased prosperity of the country, due to the policies we have set in motion, we will have for the first time for over a

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decade a balanced budget in this House. More than that, the government, so far as its work in economy is concerned, is continuing to carry that work just as far as it possibly can. We believe that what the country to-day wants is as little in the way of public expenditure as possible, consistent with the efficiency of the public service. We believe what the country needs above everything else is a reduction in taxation, and in the preparation of the estimates we are about to submit to parliament, which we will be ready to submit as soon as the debate on the budget is over, we will be able to show a very considerable reduction beyond even that which I have already indicated. I think the House will be surprised when they find how far the government have gone in this matter. But let me say, Mr. Speaker, that while we have been effecting economies, while we have been asking members of the House not to press for public expenditures on anything except what is absolutely necessary and absolutely essential, we think we have come to a point where it will not be possible to go much further in the way of depriving this country of some of the public buildings and public works of which it is in such great need, and that in the course of time, once our expenditures are reduced to a point that we can reduce the taxation somewhat, we must take up the work of constructing some of the public works so essential to the needs of the country at the present time.

Now, Mr. Speaker, that is our answer in a word to what our hon. friends have been saying about extravagance and waste and about the increase in the public debt. Our answer to them is that we have been effecting economies all along the line, we have brought down expenditures to the point where we have balanced the budget. We intend still further to reduce the public expenditure in the estimates which we are submitting to parliament, and we intend to reduce the taxation of the people of this country.

I wish to refer to one other aspect. The country has been led to believe that the government had been adding to the public service, that, in so far as the different departments of government in Ottawa were concerned, they were overmanned and that we had been indifferent to the cry of economies so far as the Civil Service is concerned. Let me say that the reduction within the Civil Service is one of the most difficult subjects with which any government can be faced. Our hon. friends opposite claimed that they had gone about as far as it was possible to go. I think the preceding government brought