

stated by the circular, in quotation marks, "Jim" Murdock, the Minister of Labour. Why, he was going around saying to all these fellows to whom this circular was distributed: "Oh, the government is running the railways; the government is conducting this test." There was no kick from him. Oh no. The election was not over. I am inclined to think, Mr. Speaker, that my hon. friends across the way have already been but too successful in launching this business into politics.

Now, my hon. friend the Minister of Finance speaks about the domestic loan. He does not like it. I do not blame 10 p.m. him for not liking it. Indeed, I should be surprised if he did like the refunding loan. It is quite true, as he says, that he offered good terms. He offered 5½ per cent and a month's interest. But then, having offered that, my hon. friend, I think, made a great mistake. He did not try to sell those bonds; he did not try to get the new subscriptions in the ordinary way of business. I do not know, of course, what occurred between him and the bond brokers, but I should think it very unlikely that my hon. friend approached the bond brokers and they refused to have anything to do with him and his business. I am sure they think more of him than that; I know I do. I should be glad to do anything for him myself except in a political way, and I am quite sure that the bond brokers would have liked to accommodate him. But, no; the ordinary, proper and approved methods of doing business are not followed. I am confident that in a large matter of this kind my hon. friend could have arranged for the taking up of the whole issue by the brokers on the basis of a quarter of one per cent. That is what they are handling business for just now. Rivalry is getting keen in the bond broking business and there is a very narrow margin in the business to-day. It used to be large, but to-day it is small, and I have no doubt my hon. friend could have made that arrangement. Of course, if he tells me that he offered them a quarter of one per cent and they declined his offer, I shall immediately accept his word and admit that he did everything in the matter. But I feel fairly confident that he will not say that. He does not like the loan. Well, the loan was \$194,000,000, and we got rid of \$12,000,000 through the former loan stabilization committee operations. If I remember rightly—my hon. friend will correct me if I am wrong—there was \$182,000,000 to be refunded, and—again he will correct me if I am wrong—he managed to refund \$110,000,000 of it. He does not like it, and he is quite right. Why,

[Sir Henry Drayton.]

it is the first domestic loan in Canada that has ever been a failure. All the others have been oversubscribed.

Of course, my hon. friend does not like it, he prefers the New York market. Indeed, I think he prefers the New York broker too, because he sells to him at 97½, and to the public at 100—2½ per cent commission for what the newspapers said next day was two hours' work; and the whole loan was taken up. My hon. friend says it is very expensive to float a loan here—there is a lot of advertising to be done. Well, there are expenses in New York. I do not know what his expenses are here but I would like to give him the expenses of floating our war loans. Our 1915 loan of \$100,000,000—just the same amount as he placed in New York—cost here .425, less than ½ of 1 per cent as against 2½ per cent he paid in New York. The 1916 loan cost .797; the loan of 1917 .888; the Victory Loan of 1917, when we had the first big advertising campaign and raised a tremendous sum of money, cost 1.185—the first time you get over the decimal mark, Mr. Speaker; the loan of 1918 cost .903. My hon. friend says that the impetus of war was on. Well, he is quite right, and there is no doubt that it was easier by reason of making appeals to our loyalty and the like to raise money then than is the case now. But the first taxable loan in Canada was floated more than a year after the war was over, in 1919, and we had subscriptions up to \$638,000,000, and we accepted \$607,000,000. The cost of that loan was only 1.061.

Now, my hon. friend points to other loans in the New York market. We did not like the New York market as well as he does; I admit that. We felt that we could do better at home, and we did do better. But I would ask my hon. friend if he is responsible for the low price of wheat. It is just as reasonable and just as sensible to say that this government to-day is responsible for the low price of wheat, as it is to say that the Union government in the days of the war was responsible for the high rate of interest in the New York market. Why, there is only one thing a trustee can do: discharge as best he can the job that is entrusted to him. That is all he can do, and if you are going to make comparisons, it is only fair to make them when they are of some use and cover the same relative period of time.

I thought I would not hear anything more about this loan business, and I still feel that my hon. friend did not look into the matter as carefully as he might have. Last year we discussed it and then I dealt with the issues by the British government which were made