

*Alberta Financial Situation*

honest, sincere and efficient administration, found themselves unable to pay off any part of the \$95,000,000 debt during those prosperous years, what chance has the administration of to-day to pay off this accumulated debt? It is a serious question which we must ask ourselves. We in Alberta have asked ourselves this question thousands of times. As I shall point out as we go forward, it is not that we wish to avoid our debts; what we want to do is to get our indebtedness into a form where we will have some chance of paying it off.

The next period was from 1931 to 1936. The net outstanding liabilities of Alberta increased in those years by \$52,000,000. The bank report says:

About half of the net increase took place during the first two years of the period.

This statement is also found on page 33: that nineteen millions of these fifty-two millions was spent on relief and relief works.

May I be pardoned for spending a moment or two on a matter which will be a sore point with members of the United Farmers of Alberta administration? The Social Credit movement expelled completely the United Farmers of Alberta. We do not wish to disparage that body. I have always felt that the United Farmers of Alberta did as well as they could. I said that all the time during the election, and I am taking care to bring this point out, because there are many good men who struggled in that administration who may read the words which I am saying. I look upon it as a shame when a man has done well, has done his best, that any one for political or any other reasons should detract from his good reputation. That is a contemptible proceeding to which I will not be a party. Consequently I stress it in this house so that hon. members will understand that I am not laying more blame than is necessary on the United Farmers of Alberta administration.

The result of all this experience of Alberta was that we owed \$147,000,000 when we bestirred ourselves in the great social credit movement. I do not blame hon. members for looking upon social credit as something rather crazy. When I first heard of it, it appealed to me in that light, but we who are in that movement took it with tremendous seriousness, and the main reason why we did so was that we believed we saw in it a means whereby we might extricate ourselves from the morass of debt in which our fair province found itself. I quote again from the bank report, page 26:

By the summer of 1935 Alberta had largely exhausted its liquid and realizable assets in

[Mr. Blackmore.]

order to meet its chronic cash deficiencies, and when a run on the savings certificates took place in August, 1935, the necessary funds were not available.

There has been noticeable a disposition among some hon. members to blame Alberta's difficulties upon the social credit government. Now, just as I explicitly stated a moment ago that I considered it contemptible and dishonourable to place blame where it does not belong, so I resent any tendency on the part of anyone to place blame on the social credit government for that for which it was in no way to blame. Consequently I read that passage from the bank report as an example of splendid restraint and fairness, and I so commend it and draw it to the attention of the house.

Let it be noted that the realizable assets were all gone long before Premier Aberhart or the social credit government had any chance to deal with the situation. In speaking to hon. members, fellow-Canadians, I appreciate the sympathy which is so generally apparent. There was that debt. What were we going to do about it? What are we going to do about it now? What can we do about it? The whole question of debt must be faced realistically.

May I draw attention to figures which were quoted not long ago by one of my colleagues in dealing with the debt situation. Thus far I have said nothing upon this subject. What more than any other one consideration drove us into the social credit movement was the vivid realization of the appalling debt situation which was developing throughout the world. Professor Rautenstrauch, of Columbia university, who conducted investigations into this matter, stated among other figures, according to information I have, that the debts of the world increased forty-seven per cent in the 16 hundreds, 466 per cent in the 17 hundreds, 12,000 per cent in the 18 hundreds, and in the 19 hundreds an amount in a similar ratio. That situation must be faced by this generation and remedial measures must be applied, or there can be but one possible result.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Will my hon. friend excuse me for interrupting him for just a moment? There is always a difficulty in arranging for prorogation because of uncertainty as to the time when the business of the house will be concluded. It looks now as though it were going to be possible to prorogue this evening. This measure is, I believe, the only one which remains to be considered by the house, with the exception of one bill which is before the