

*The Address—Mr. Mackenzie King*

I shall not ask permission to put that entire chart on the record, but I have quoted from it sufficient figures to show the contrast with Canada.

I have pointed out that Canadian failures have been growing less and less in each of the years 1922, 1923 and 1924; in the United States it has been the other way. In 1922 the bank failures numbered 277 with total liabilities of \$77,000,000. In 1923 they numbered 578, with total liabilities of \$203,000,000; in 1924 they numbered 613 with \$202,000,000 of liabilities. I think, Mr. Speaker, that shows pretty conclusively, quoting from the source from which my hon. friend says he has been deriving his information, that so far as conditions in the two countries are concerned we in Canada are infinitely better off industrially and financially than our friends across the border.

The only remark my right hon. friend made this afternoon that was at all appreciative was one which he could hardly avoid making, namely, that made respecting the balance of trade in Canada having exceeded something over \$260,000,000. That was one feature in the Speech from the Throne which my right hon. friend commented on favourably. He said, we ought to have something like a favourable balance of \$300,000,000 odd in order to be on a sound basis. Well, I wonder where the country was when he was in power, because the balance of trade was altogether unfavourable at that time.

Mr. MEIGHEN: No, not at all.

Mr. MACKENZIE KING: In 1921?

Mr. MEIGHEN: One year of it.

Mr. MACKENZIE KING: Yes, one year—the year that closed when my right hon. friend went out of office, the year he had the handling of the country's affairs.

Mr. MEIGHEN: What about the other years?

Mr. MACKENZIE KING: That was the only year that my right hon. friend was at the head of affairs. From that time to the present, ever since this government, as he calls it, has been in power, the favourable balance of trade has been increasing by leaps and bounds. Not only has that favourable balance been increasing year by year, but, in comparison with the United States again—my right hon. friend has been comparing the conditions in the two countries—the balance of trade has been favourably increasing in Canada while in the United States instead of increasing, it has been steadily decreasing since 1921, excepting during 1924, when, due to some large

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loans made by the United States to European countries in 1924, there was a tendency toward an increase in her export balance passing out in goods. I would like to give the House the figures to verify what I have just been saying in that regard:

United States Foreign Trade—Calendar Years			
	Imports	Exports	Favourable Balance of Trade
1921.. .. .	\$2,509,147,000	\$4,485,131,000	\$1,975,984,000
1922.. .. .	3,112,747,000	3,831,777,000	719,030,000
1923.. .. .	3,791,938,000	4,167,946,000	376,008,000
1924 (11 mos.)..	3,277,023,000	4,145,324,000	868,301,000

So far as Canada's position is concerned, I regret that I have not the figures here, but they will be found in the financial records and they will show that in the year my right hon. friend was in office there was an unfavourable balance of trade. The next year there was a favourable balance, in the year following a very considerable increase, and last year the favourable balance was so much in excess of that of former years that the total ran to over \$262,000,000.

The point that I wish to bring out is this: In the latest period the United States favourable trade balance represented about \$8 per head of their population, while the Canadian balance represented about \$28 per capita of our population. That, I think, answers pretty conclusively the relative position of the two countries judged at all events by the gauge which protectionist propagandists seem to regard as the one by which the prosperity of a country should most accurately be measured.

My right hon. friend said: Yes, exports are all very well provided they are the right kind of exports. He did not go very fully into what he meant by that. He seemed to endeavour to create the impression that in some way or other it was not a good thing to export any raw material, that the resources of our country were distinctly limited, and for that reason we should be careful about exporting any raw material. When one considers that half of our arable land has not yet been occupied that its estimated total is 300,000,000 acres, not the half of which has been taken up and of the half taken up that not one half of that has yet been improved, I do not think we need have very much alarm about what we do in the way of exporting raw materials that may be raised as the products of the soil.

So far as the timber of this country is concerned it is difficult to form an estimate of its total amount. It is estimated by the Bureau of Statistics that the total forest area of Canada comprises 1,200,000 square miles of which about 40 per cent is covered with mer-