

to budget as he has done, and place taxation on the backs of the people of Canada in order to pay the election promissory notes which he gave last year. Those were pledges which were given, perhaps irresponsibly, but now he is finding out how those chickens come home to roost on an occasion when he least wants them.

Now let me say a word more with regard to my hon. friend's boast in regard to his budget. He boasts that this is a budget, and I presume he pledges himself to the estimate which he has made as being a fair forecast of what is going to take place with regard to financial operations this year. My hon. friend quotes scripture in this house occasionally, and I want to remind him of this scriptural injunction:

Let not him that girdeth on his harness boast himself as he that putteth it off.

Let us wait until next year and see whether or not his predictions with regard to revenue and expenditure will come true. I wish I could believe that his forecast is correct, and that only to the extent for which he has budgeted the revenues would be reduced, but I am afraid that will not be so. I warn him that people on this side of the house, and not only here but throughout the country generally, are very much concerned as to the situation in Canada and as to the policies which he has adopted towards our trade.

There is one other matter which I notice is missing from this budget, something which was always a pet of my hon. friend when he was on this side of the house. That is, there is no provision in this budget, if you will believe it, for a sinking fund. I do not know that anyone was more insistent than my right hon. friend that a sinking fund should be provided in order to retire the public debt of this country. I have before me a quotation from a speech he made, in which he urged the then Minister of Finance, the late Mr. Robb, to put into force a sinking fund. He said—Hansard, March 13, 1928, page 1249:

The Finance minister said that the only way to pay off the debt was out of surplus. I suggest, Mr. Speaker, that there is another way in which we can pay off our national debt, and that is to pass a statute by which we provide that a given sum per annum shall be set aside to pay off the national debt of Canada. What will that do? That will impose upon the people economy.

I suggest to him that if he had thought of that a little ahead of time it would have imposed upon him economy in the matter of promises during the last campaign. Then he continued:

Why? Because when they come clamouring to my hon. friend the Minister of Public Works

(Mr. Ralston]

(Mr. Elliott) for a wharf here or a post office in Guysborough, or a public work in some other community, the Finance minister will be able to say: It cannot be done because the sinking fund must be provided for.

Then he goes on in another place—Hansard, March 13, 1928, page 1249:

I say that we should place upon the statute books of this country at the earliest possible moment a provision by which a sinking fund will be set up such as they have in Great Britain and in other countries, so that we shall be enabled, within a period to be mentioned, absolutely to wipe out and eliminate the national debt of Canada.

That sinking fund provision is not to be found.

Mr. GUTHRIE: Give us time.

Mr. RALSTON: My hon. friend is always asking for time, but he has had ten months already. If the next ten months of the administration of my hon. friends is as barren of results as the last ten months, then nothing will be done, because I do not know of any more futile administration than that which has gone on during the last ten months.

Then I want to refer to another matter in connection with this matter of debt and sinking fund, a matter about which my hon. friend knows a good deal and which he has just completed; I refer to the financial operation of the conversion loan. There is great satisfaction in Canada that the conversion loan has been so well received, but I do not think the right hon. Minister of Finance, when he retires to his room at night, really gives himself as much credit as at least the newspapers and his supporters give him with regard to the success of his loan. I ask him this: After all, is there anything so extraordinary about it? It is a simple, every-day operation.

Some hon. MEMBERS: Oh, oh.

Mr. RALSTON: Most of us have renewed notes; some of us even have had to go to the bank ahead of time to make arrangements. Sometimes we have been able to get a reduction in interest, and we have been very glad to get it. But conversion loans have been made in the past by his predecessors; they are made in almost every country in the world. They are made by almost every public body, either conversion or refunding loans, and I submit there is nothing so extraordinary about the operation that it should be regarded as a head line performance, if I may use that slang expression, with regard to finance. I think last October—and if I am wrong my hon. friend will correct me—my hon. friend sold, for Canadian National financing, \$100,000,000 of bonds to