

which claims are, I take it, preferred claims. And then there are the claims of the various governments for the expenses of the war, which I would call ordinary claims. I would take it that it would be some time before those ordinary claims had any dividend declared upon them; and I would not like to hold out any hopes to the country that the dividend would amount to very many cents on the dollar.

I propose, Mr. Speaker, in my remarks this afternoon, to follow somewhat, step by step, the speech delivered in the House on Thursday last by the Minister of Finance. I propose to criticise what demands criticism; and I first charge the Finance Minister with negligence and tardiness in bringing down his Budget. The British Chancellor of the Exchequer, who has under his control financial operations of far greater magnitude than those which call for the care of our own Finance Minister, was able to bring down in his Budget speech on the 31st of April; but it was not until the first days of June that our Finance Minister was able to submit his proposals to this House. No measure of responsibility rests upon this side of the House for his delay. We had been, in the kindest and still in the most persistent fashion, jogging his elbow and poking him gently in the ribs from time to time, and asking him when he was going to bring down this Budget. This is not a mere question of the convenience of members of this House. If it were, it would be a matter of small moment; but I say that the delay in bringing down the Budget caused financial stagnation in the country, because the manufacturers and merchants of Canada did not know where they were. Men in business and in manufacturing life were obliged to conduct their operations, if I may so term it, from hand to mouth, and the responsibility for this condition lies upon the Government.

The Minister of Finance first took up the financial operations for the five-year period from 1st April, 1914, to 31st March, 1919. He told us that in round figures the total expenditure on war account for these five years amounted to \$1,327,000,000, that the expenditure on current account ran to \$832,750,000, and that the capital account for these five years of war stood at the great figure of \$180,250,000; in all we spent during those five years \$2,340,000,000. During that time the receipts from all sources amounted to \$1,110,750,000. So that we ran behind during the war by \$1,229,500,000.

The Minister of Finance quite properly said that the people did not grudge the

expense of the war. That is true. The people of Canada did not grudge a single dollar that was expended skilfully and without extravagance. But the people, especially after they begin to pay their income tax, will wonder whether after all this Borden Administration—and I will point out very clearly before I finish that this is the Borden Administration,—the Administration which is responsible for the purchase of decrepit horses, of dear drugs, of bad boots,—acted providently.

But these you say, are not matters of great importance. Well, they were matters of great importance. And, what is more, this Government was responsible during the term of the war for one of the most profligate bargains that was ever entered into on behalf of the people of Canada. I refer to the purchase of the Canadian Northern railway stock for \$10,000,000. I will not discuss the question to-day as to whether that railway should have been taken over or whether a receiver should have been put in and the railway bought from the receiver, with a consequent loss to people who had invested money in that railway; but I do protest against a payment of \$10,000,000 of the people's money for stock which the commissioners appointed by the Government declared to be pure water. The people of Canada took over this property burdened with \$400,000,000 of debt. I know that the acting Minister of Justice (Mr. Meighen) may say that we only bought the stock, that we did not take over the debts. Well, the Government of Canada owns and operates that railroad, and to-day if the Government has any sense of honesty and equity it will have to see that the debts are paid and that interest is paid on the bonds outstanding. And, I believe it is doing so. How much had the road cost? The total amount of money which went into that road, according to the Drayton-Acworth report, was not more than \$370,000,000, and the amount that the railway could have been sold for as a going concern was certainly less than the indebtedness against it which the Government has got to take care of. We arbitrated the value of stock which our own investigators had declared to be worth less than nothing, and this was done at the time when this great war debt was piling up. It is difficult to find fault with the Minister of Finance,—his personality attracts men on both sides of the House,—but the people will not allow him to forget this bad bargain which he put upon them.