

are perfectly willing at an early date to spend what other people have saved, because the fact is that this country has not increased perceptibly in population, and yet there has been taken from the taxpayers increasing sums of money every year, amounting this year to the largest sum that has ever been taken from the taxpayers of this country; and further, there is no effort on the part of the government to practise the complement of large taxation, namely, economy. Where is it? Will any gentleman name the economies which this government have made? Perhaps the right hon. the Prime Minister may be able to give the house a vivid story of the economies he has effected, but all I can say is that they are not reflected in the Auditor General's report nor yet in the estimates that have been laid on the table of the house.

Let me go a step further. What do I suggest should be done with respect to the national debt? I wonder if hon. gentlemen realize that ever since the days of that great financier Pitt, who in 1798 laid the income tax upon the British people as a war measure, the British people have always maintained a sinking fund. They have suspended the operation of that sinking fund at times when it was essential that they should do so, but look, if you will, at the operations of British finance to-day, and you will see that no matter how hard they may be driven, no matter how difficult may be their path, no matter how onerous their burden of taxation, they have always imposed upon themselves the providing of a sinking fund with which to discharge their national debt. Have we done any such thing? The Minister of Finance read a few lines out of McCulloch, who nearly one hundred years ago made an observation which was placed in the hands of the Finance minister by one of his officials, and the minister thought it might have some effect upon this house, but the hon. member for Ontario Mr. Kaiser) completely demolished that. 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. Why? Because when they come clamouring to my hon. friend the Minister of Public Works (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.

An hon. MEMBER: Mahone Bay.

Mr. BENNETT: Ah yes, the post office that was taken away from Mahone Bay.

Mr. DUFF: Was not that economy?

Mr. BENNETT: Yes, but it was a reckless expenditure of public moneys in another way, with respect to the hon. gentleman himself.

Mr. MANION: Political economy.

Mr. BENNETT: It was what my friend calls political economy. Let me go a step further, Mr. Speaker. 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. What is the province of Ontario doing? Do hon. gentlemen opposite realize that in Ontario they have provided for the setting aside of \$3,000,000 every year so that at the end of forty years their debt will be entirely wiped out, half being provided by public utilities, and the other half from the taxpayers of the province itself. Do hon. gentlemen realize that?

What sum would have to be set aside to enable us to wipe out our national debt? Assuming only a four per cent rate upon money, if we desire to retire the entire \$2,400,000,000 of the national debt of Canada at the end of forty-five years, all we would have to set aside each year would be \$19,829,904, and at the end of forty-five years the entire debt would be paid off. If you want to go a step further and make it fifty years, you would have to set aside only \$15,720,480 a year. Assume that you do it half-yearly, then if you wish to discharge the entire national debt in forty-five years, you would have to set aside \$9,710,448 each half year, or to retire it in fifty years, the sum of \$7,686,576 half yearly.

But suppose we do it upon a less ambitious plan. Suppose we seek to retire only \$1,500,000,000 of this debt by a statutory sinking fund, by means of a provision placed upon the statute books of this country, so that the demands and pressure by political supporters would not induce the Finance minister to part with public moneys because he would have to meet these sinking fund payments. It would ensure economy in the public service, and what is more, it would make the people of this country increasingly proud as they saw what President Coolidge