but by and by, in the course of the war effort, when our resources are being fully used, any expansion of money except that which is most carefully managed is likely to produce ill effects. The fact is that if there is going to be an expansion of money, which I take it the leader of the opposition had in mind, the time for that expansion is in the early stages of the war in order to build up the productive and consumptive power of the country to a level which will enable it to stand the strain and the shocks which are to come.

I should now like to quote another short passage from the speech of the leader of the opposition, appearing at page 834 of *Hansard*:

Every time a bank subscribes to a government loan additional deposits are created, and that increases the total volume of purchasing power available. It is from this multiplication of purchasing power that the danger of inflation chiefly arises.

I submit to hon. members that in this second passage the leader of the opposition must have been using the word "inflation" with a meaning different from that with which he used it in the first quotation. In the second instance I take it—he may correct me if he sees fit—that he meant a rise in price, a surplus of purchasing power beyond the goods and services which exist in the country, whereas in the first instance apparently he meant the issue of money, because he said this was the wrong time for inflation. If he meant a rise in price, it is well for him to bear in mind that such a rise has already commenced in Canada, and consequently there is a measure of inflation at this moment. I think the leader of the opposition will realize that there is some inconsistency as between those two statements; and again may I assure him that I have no desire to find fault. I am very anxious that we all get to understand just exactly what is in each other's mind; for the members of this house and the people of this country do not disagree as to the winning of this war. Some of us think we can do better by one particular device; others do not agree. But perhaps it will be found that these monetary reformers have something of great value, something to which the country is going to be forced—and perhaps at a time when it might not be able to adjust itself to any measure which might be adopted.

May I read another passage from the speech of the leader of the opposition as reported at page 835 of *Hansard:*

It is apparent, I think, that in a new country like Canada, where there is not nearly as much invested or accumulated wealth as there is in Great Britain, where we have always been considered a borrowing country, our effort cannot be comparable with theirs.

May I interject the remark that to a monetary reformer that is sheer nonsense. I think I shall show from words uttered in our banking and commerce committee by the governor of the Bank of Canada that it is sheer nonsense; for this good man apparently looks upon wealth as being money saved up and invested. As a matter of fact, real wealth is productive power, or actual goods and services ready to be used, whether in the war effort or for the consumption of the people. Again there is confusion in the way in which the leader of the opposition expresses himself. To continue with his remarks:

And on that basis I suggest that no one can take great objection to the amount which the Minister of Finance is asking the country to vote.

With that I entirely agree. I am not finding any fault with the amount asked by the minister. I am really surprised that he has asked for so little. But if I were looking at the matter as the leader of the opposition appears to be looking at it, I would be alarmed at the amount, because I would say, "Where in the world is he going to get the money?" As a matter of fact, what I do say is this: There are great deposits of iron, vast resources of coal, tremendous stretches of forest wealth, almost limitless productive power with respect to all kinds of food. And, as the hon. member for Trinity (Mr. Roebuck) stated so well in his speech, all I am concerned about is whether we can manage our economy so that we can put to work those vast resources producing the very kind of goods we are going to need, not only to support a high standard of living for our people and our armies but to support the war effort by way of machines.

When I look at Canada from that angle I have no anxiety at all about the amount. May I read one more passage from the speech of the leader of the opposition:

I have taken the view that there should be no dollar sign on our war effort.

If it were parliamentary I would stop at this point and ask this question: What on earth does that mean? If the leader of the opposition has said that he puts no dollar sign on the war effort, then he must not be thinking of Canada's war effort in terms of dollars. Yet, only a few passages earlier in his speech, he was talking about the amount of effort Canada should put forth as being in some way governed by the amount of money saved up. I submit that there is no consistency between the two points of view.

Then he continues:

I know there is a limit to our capacity to pay.

Once more the leader of the opposition is taking the stand that our effort is going to be governed by our money. What I think he