

for the conflict—and the conflict is already going on in all these countries.

Mr. Lloyd George yesterday announced that it was a mistake to humiliate Germany. Two or three years ago Russia was our ally; later Russia was our enemy and we fought against her. Some two or three sessions ago I made a remark somewhat along these lines, and was derided for it in this House. But where are we to-day? British statesmen realize that Russia will be rehabilitated, and that she will be our greatest enemy in the future, and they are striving to build up a great barrier in Germany to repel any invasion.

So much for what we have acquired: our political status, and, as a last resort when all other things were illusory and ephemeral, peace. I pass from these topics. When honourable gentlemen reflect upon them they will come to the conclusion that we are suffering from an hallucination, and that what we have acquired is enveloped in clouds, and is very doubtful—that it will require all our energy and economy, all our co-operation and patriotism to re-erect society, to recover what was lost, and to come back to a healthy state.

My honourable friend who moved the Address spoke of the exertions of the soldiers, and said that we were to look to them to re-establish and develop the country. I hope that the soldiers, who have been put upon the land by the Government, will be able to make a living, and to pay back at least some of the advances that have been made to them.

But in the immediate future, to produce the resources which will raise Canada above want and debt, we must look to the re-establishment of industry and trade along normal lines; we must look to the profitable employment of labour and capital of the country, and, above all, we must look for reduction of prices before our foreign trade can be extended. It is useless to talk about the expansion of our trade until we can produce and send to the countries that want our commodities, articles of as good a quality as those produced by any other nation, and at a lower or equal price. Canada at the present moment is, I believe, the dearest country in the world. Our articles have been kept up at tip-top prices by the exertions of the producers and by the arbitrary interference of the Government.

Now take the question of trade returns. The honourable gentleman who moved the Address (Hon. Mr. Proudfoot) felicitated himself and the House on the fact that the imports were less in some respects and in

some directions than the exports. What is the secret of that? The Government do not give us the quantities of articles exported or imported. They very carefully abstain from that, although the information has been asked for in Parliament many times. Why is it not given? Prices, both of exports and imports, are four times what they were formerly, and the quantity of trade looks large because it has been multiplied by the very high cost of the articles. Until the articles which we favourably produce in this country are produced at a low rate, our trade can never legitimately expand. The countries that will take our products are those that have become destitute, and have been deprived of their money. They will buy in the cheapest markets, or from any country that will give them credit in the hope of being repaid some day. We have given credit and have established trade by this artificial means, but that will not be permanent. It is by the production of articles of intrinsic value and by the production of articles at a moderately low price, or a competitive price, that we shall expand our trade in the markets of the world. I say that statements of that kind, no matter how elaborately or skilfully prepared, are entirely delusive; that they do not afford a just view of the resources or the operations of the country, and that they must be analyzed, if they can be analyzed, and show what articles are being exported, what articles imported, and how the articles that we produce may be exchanged for those we import. Trade can be established only along those legitimate lines.

The honourable leader of the Government in the House (Hon. Sir James Loughheed) felicitated himself, and urged it as a proof of the popularity of the Government and the confidence of the people in it, that huge loans had been acquired from the people of Canada. I shall not at all speak of the means by which these loans were acquired. The last loan was for \$700,000,000. The minister thought it was a subject for jubilation that so much money had been obtained from the people. I think it was a cause of intense regret that in this and previous loans the sum of \$2,000,000,000 had been abstracted from the capital of the country—for it was to a large extent taken from the working capital of the country—and spent in the air, spent for the services of war. The capacity of the country has been reduced by \$2,000,000,000 which the Government has taken from the people. And what is the situation now? Inquisitors are out all over the land. Every tenth man you meet