

pay the demands of the Allies, it is not expected that Canada will receive a very large share of the indemnity. Normal conditions will require to be restored in Central Europe, and the Peace Treaties will require to be duly respected. As Mr. Lloyd George has said: "We entered this war because a treaty was broken; but now that it is over, we mean to see that the treaties are observed."

Honourable gentlemen, His Excellency has referred to the world unrest and the difficulties supervening upon the Great War, and to the slow and tedious restoration of things to what they were both in the victorious and the defeated countries. It is undoubtedly a grave situation with which we are confronted. As His Excellency has informed us, we are faced with contraction in credit and business activity. We may hope that the recession will not be of long duration, while we recognize that it comes as a natural sequence. Prices have fallen; prices may go yet lower. No honourable gentlemen of this Chamber can fix the date when an upward turn will come, but we can rejoice that the cost of living is being lowered, especially affecting persons of small means.

Canada reaped last year a bountiful harvest, and of greater value than ever before, and from that asset our country will thrive. If I may be permitted to drop into poetry for a moment, it will be only to differ from the sentiment of him who wrote that

Ill fares the land, to hastening ills a prey,
Where wealth accumulates and men decay.

We need men in Canada, but not less do we need wealth. It is from accumulated money that our taxes must be paid: it is from accumulated money that employment will be given; and it is from accumulated money, and the use of it, that business prosperity will be derived.

It is a pleasure to learn that the revenue of the country is well maintained, and I trust the Finance Minister will be able in due course to announce a surplus over expenditures and to remit further taxation. If I had advice to give to His Excellency, it would be to suggest to his advisers the abolition of the Business Profits Tax, not because it is not a revenue-producing source, but because it inevitably strains those other sources from which the Government derives its income and maintains its credit. Taxation that hampers business can never be good for the country. By recent press despatches it is

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noted that Mr. J. Austin Chamberlain, Chancellor of the British Exchequer, has announced that the British Excess Profits Tax will be abolished, as the conditions have changed which called forth this tax, and it would appear that its renewal was no longer necessary. This tax has tended to discourage enterprise, new industries, thrift, and appears to have been conflicting and unfair in its application. It might therefore be considered wise on the part of the Government to consider the abolishing of this tax and replacing it with some other more effective general method.

There are many topics in the interesting Speech of His Excellency, topics prompting discussion, and which I might allude to in an argumentative way, did I not fear of wearying you. If variety is the spice of life, brevity is the essence of debate, and my duty is fulfilled by simple allusion to some of the subjects we will later on be required to discuss. One of these of a very practical nature is the trade treaty with the British West Indies. Canadian intercourse with these Islands is in the way of nature and much to be desired. They produce in a tropical climate the articles we require, just as we in a northern zone produce many commodities which the Islanders must purchase abroad, and the enlarged commercial relations which the conventions promise to promote should prove of mutual advantage. Our thanks are due to the Right Honourable Sir George Foster for his work in developing and arranging trade with the British West Indies. What has been accomplished in this direction should be possible in tropical Africa, Egypt, British Honduras, the West Coast Colonies, the Gold Coast, Nigeria, etc.

But I wish to draw your attention to the mutual advantage that would result from closer co-operation with other portions of the Empire. We are privileged in belonging to the greatest Empire the world has ever seen, with a population of some five hundred millions, and it is possible to produce within ourselves everything that is required. We have been hindered in the past by various treaties, but we should be able to give to other portions of the world such treatment as to make for the entry of Canadian goods into those distant countries. As Mr. T. B. Macaulay, President of the Sun Life Assurance Company, has stated: "The more one looks into the question of trade between Canada and the West Indian Colonies,