

conditions they might hesitate to make. But subject to that, in the preparation of future Budgets, whoever may have to prepare them, there ought to be a very firm determination to apply the pruning knife to our ordinary expenditure.

I think that the Civil Service is one which admits of much pruning. I do not mean as to individual salaries; on the contrary, I subscribe very heartily to the principle laid down by some honourable gentleman the other day that it would be a sound policy if we had fewer officials and paid them better. But there has been a very great increase in the personnel of the public service in recent years. Most of it, I am ready to believe—perhaps all of it—was necessary; but under the new conditions that arise it ought to be possible to send a large number of these new officials who have been brought into the Service back into ordinary lines of civil life; and in that respect there should be a very considerable improvement. A committee of this House is dealing with the matter at the present time and I have no doubt that they will give it their very best attention.

There is one portion of the Service in connection with which I am not going to recommend economy. I am going to suggest something that the Minister of Finance himself cannot very well suggest. I have said before that the poorest paid officials in the service of the Canadian people are the Ministers of the Crown. There has been no change in the salaries of Ministers of the Crown for about thirty years, and I do not believe you could find any other class of people, either in official or in private life, whose income has not been increased during that period. I understand the difficulty. The ministers are in a position of great delicacy; they hesitate to make proposals to increase their own stipends. But under our constitution, if they do not do it nobody else can. I do not advocate an increase in the number of cabinet ministers; I would rather diminish the number; at all events, I suggest that it be not increased—but if the ministers will take the responsibility of making a recommendation to the end that Parliament may give due recognition to the services which they are called upon to perform, I for one will give it my hearty support, and I hope that the House will be prepared to do the same.

Another branch of our public affairs was referred to very briefly by the Minister of Finance and discussed more fully by the

[Mr. Fielding.]

member for Nicolet (Mr. Trahan)—that of our currency. Before the war we had a very sound system of currency upon a gold basis. That does not mean that for every note we issued we had a dollar in gold; that was not necessary. A large number of notes issued by the Dominion do not need immediate gold protection because they are not likely to be presented for redemption. The banks are required to hold a very considerable portion of their cash reserves in Dominion notes; these notes cannot be presented for redemption. The banks, for their ordinary business, require a considerable volume of notes; these are not likely to come in for redemption. The merchant in his office, the retailer in his store, the private individual in his pocket, all need some Dominion notes for the ordinary every-day affairs of life; these notes are not likely to come in for redemption. To a considerable extent, therefore, there is a note issue which does not call for large protection. What that sum is is not determined by any arbitrary rule; it is a matter for the judgment of the Minister of Finance, with the approval of his colleagues. My recollection is that when I first had to deal with the matter the amount was fixed at \$20,000,000, and all that was necessary in the interest of sound finance was that we should hold one-quarter of a dollar for every dollar of that amount, or 25 per cent on the \$20,000,000. If I am not mistaken, within my own experience that amount was advanced from \$20,000,000 to \$30,000,000. The Minister of Finance of the present day has advanced it to \$50,000,000; the growth and development of the country, our increased population and our enlarged business, would call legitimately for an expansion of the former circulation. Against that \$50,000,000 I think the law requires \$12,500,000 in gold. Now, we have got away from that sound standard, unavoidably, under the stress of the war. If we were to apply that rule to-day to the outstanding circulation of the Dominion that is to say, take the total notes issued and take, on the other hand, the actual gold the minister holds, we would discover there is a very sad shortage. I do not want to dwell on the figures, because I do not purpose causing any alarm in the matter. I am alluding to it only that I may strengthen the hand of the minister in the desire, which I am sure he must have, to get back as early as possible to normal and sound conditions. There is a very large amount of our currency now out-