

within the knowledge of the Senate, have been recommended by the King's representative.

I suppose we all have this knowledge now and can proceed?

Hon. Mr. SPROULE: I was only endeavouring to inform the House that this recommendation had been made.

Hon. Mr. LANDRY: That is the way I took it.

Hon. Mr. SPROULE: I spoke from a knowledge of what has frequently occurred in the Commons. Owing to the evidence not being available at the proper time, a Bill has sometimes been passed through several stages without it and afterwards the omission has had to be supplied.

Hon. Sir JAMES LOUGHEED: Well, hon. gentlemen, I have great pleasure in informing the Senate, with respect to this Bill, and also the previous money Bills with which we have dealt, that they have been recommended by the King's representative. May I now be permitted to say that this Bill proposes voting so large an amount as scarcely to admit of anything being said about it. If it were for a smaller amount we should most exhaustively discuss it.

Hon. Mr. POWER: Ther., I suppose, you would say it was such a little one?

Hon. Sir JAMES LOUGHEED: I may say that the anticipated expenditure for the fiscal year ending March 31, 1918, will amount to \$433,274,000. The details of that may be set out in this way: for Militia and Defence there will be required \$196,171,000; for the Ministry of Overseas Military Forces, \$219,000,000; for Naval Service, \$17,500,000; for the Department of the Interior, \$75,000; for Railways and Canals, \$300,000; for Finance, \$60,000; for Public Works, \$133,000; for Labour, \$15,000; and for Agriculture, \$20,000; making in all \$433,274,000. As hon. gentlemen can very well appreciate, the ascending ratio in which war expenditure increases is something that almost transcends human imagination.

Hon. Mr. THOMPSON: Goes up like an aeroplane.

Hon. Sir JAMES LOUGHEED: It may be interesting to hon. gentlemen to know that in 1914-15 our war expenditure amounted to \$60,750,476; in 1915-16 it amounted to \$166,197,755; in the present fiscal year, up to January 20, 1917, we expended \$216,901,822.

Hon. Mr. LANDRY.

Hon. Mr. McSWEENEY: This \$500,000,000 makes it nearly a billion, does it not?

Hon. Sir JAMES LOUGHEED: It may. It is estimated that our net national debt at the present time is, in round figures, \$750,000,000. One cannot say what it will be by the time this expenditure is made. My honourable friend the leader of the Opposition asked me yesterday if I would inform the House as to the financial relations between the Government of Canada and the Imperial Government with reference to the amounts which we have advanced from time to time in assisting the Imperial Government in the payment for munitions which have been made in Canada or in the United States. The state of that account is as follows. Up to the present time we have made advances to the Imperial Munitions Board to the extent of \$116,000,000, and we have agreed to advance them a further sum of \$34,000,000, making a total of \$150,000,000 that the Government of Canada has advanced to the Imperial Government for the purpose of buying munitions and supplies in Canada. On the other hand, we owe the Imperial Government about \$97,000,000; so there is at present a balance due us by the Imperial Government of about \$18,000,000. Honourable gentlemen are probably aware of the fact that our war account in England is at present being carried by the Imperial Government; that is to say, they make payment to the Canadian forces and we in turn liquidate those payments periodically. But the account with the Imperial Munitions Board, as I have mentioned, shows a balance in our favour at the present time of about \$18,000,000.

Hon. Mr. BOSTOCK: That has nothing to do with the credit supplied by the banks? That is a separate matter altogether?

Hon. Sir JAMES LOUGHEED: That, I understand, is entirely separate from this. I understand that the chartered banks of Canada have made advances approximating about \$100,000,000 to the Imperial Government. It is scarcely necessary to point out that our ability to have successfully carried out these financial transactions is a great tribute to the resourcefulness of the Canadian people. There was a time when we considered it absolutely necessary to negotiate even the smallest public loan in Great Britain. After the declaration of war we found the money market of England closed to our requirements; we then had occasion to resort to other channels for the purpose of negotiating our loans. It seemed to us