

changed the word in this country and used that adopted across the line. They use the term "citizen" there. We are just as much citizens as they are; in no respect whatever does the relationship between the individual in this country and the State become inferior or subordinate in any particular to the relationship between the citizen in the United States and the Republic.

My hon. friend also quoted me as making some remarks on the question of exchange, and in that respect he ventured to assert that I was wholly wrong on matters of economics—almost as wrong perhaps as he intimated the hon. member for Frontenac (Mr. Edwards) and the hon. member for Muskoka (Mr. McGibbon) to be. I did refer to the fact that the Canadian dollar was quoted at eighty-five or less in Wall street and anywhere else in the United States. I quoted newspapers as to the course we ought to follow, and I gave my own opinions on the same subject. I did state that it was due almost wholly to the fact that because we buy more goods from the United States than we sell to them the demand by Canada for American exchange is so great that our friends are in a position to that extent to dictate the price. I never referred to any financial manipulations. It is a necessary result of the trade conditions that exist. When you buy \$746,000,000 worth and sell only \$454,000,000 worth you are going to need a whole lot of exchange in New York one way or the other, and when you need a lot there against what they need here, it is very likely to depreciate our exchange.

Mr. CRERAR: Might I ask my hon. friend why did not the same result obtain in 1911 when the balance was even more adverse?

Mr. MEIGHEN: I was just about to explain that, and would have done it sooner had the hon. member waited. I have not read the report of my speech in Winnipeg, but I stated there that it was true that we had an adverse balance with the States before the war. We had an adverse balance in 1911.

But I will tell the hon. gentleman the difference then. At that time this country was a heavy borrowing nation, not only in the United States, but to a far greater extent in Great Britain—borrowing as a nation, borrowing by provinces, borrowing by corporations; and the moneys that we borrowed were payable in New York and we got the exchange out of our borrowings.

If we could adopt the same course to-day, the situation would be improved; it would be improved as well if we could get actual cash, which we cannot, for the goods we sell overseas. As we are not able to do the latter, would the hon. gentleman suggest that we cure the situation now by the same process by which it was cured in 1911, by recommencing the borrowing habit over in Great Britain and London? He knows we cannot do that, and he knows also that we should not do so if we can possibly avoid it. That method of getting exchange in New York is gone. It existed in 1911; it cannot exist to-day. Therefore, the only possible method of curing the difficulty, is the method suggested by the Toronto Globe, namely, to sell more and to buy less. That is the only method in the world. The hon. gentleman applauds. If that be the way to cure it, is not the opposite the cause of its existence? If we cure it by buying less and selling more, then is not the reason for its existence the fact that we sell less and buy more? The hon. gentleman applauded the first, the second necessarily follows. Why did he dispute the second? Yes, he says, that is true; we have to sell more and buy less, but, for goodness sake, do not, he says, make any regulation to that effect. Do not do it, he says, by artificial means. Well, what means does he propose by which this country shall do that? By exhortation?

Some hon. MEMBERS: By prayer.

Mr. MEIGHEN: By prayer and meditation. I do not know any way in which a country can act effectively except by passing laws that will have the desired result. It was the only way in which we could act during the war, and the hon. gentleman agreed with us at that time. Something that will not have that result will be found in a plank in the hon. member's platform, namely, to tear down duties against the United States. Such is what I argued in Winnipeg, and I do not know anything wrong with the argument yet. I do not know how we are going to buy less from the United States—I have not much faith in the exhortation system—to achieve the desired result by a process of levelling duties against that country.

Mr. CAHILL: Try reciprocity.

Mr. MEIGHEN: Try reciprocity?

An hon. MEMBER: Grievance.

Mr. MEIGHEN: Yes, the hon. gentleman has a grievance. In the first place