

any advantage in a favourable balance of trade, that advantage has accrued to Canada during this year.

Mr. GRAHAM: That 'if' is the point.

Sir GEORGE FOSTER: My hon. friend (Mr. A. K. Maclean) made some remarks in reference to borrowings in Canada. I apprehend that he favours the people of Canada and the resources of Canada being called upon to give an equitable amount towards the present support of the war, and towards the diminution of that great borrowed sum that shall remain as a burden on our successors; but he seems to think that the loan which the Minister of Finance took from the people during the last few months was not advisable for two reasons: in the first place, because it perhaps went so far as to diminish the resources of the country which are required for carrying on our normal and present current business, and in the second place because it was not a popular loan, and therefore took rather from those possessed of accumulated funds than from the general savings of the less wealthy classes. My hon. friend is scarcely correct in his views. If he will look into the particulars of that loan he will find that there were 25,000 subscribers, which is a very large percentage of the population of Canada. Another fact he will find is that if the original limit of the loan had been adhered to, the banks and the insurance companies, and the other large accumulators of the deposits of the people, would not have received a single scrip, because the loan would have all gone into the hands of the smaller investors. He will also find that of the \$100,000,000 that were ultimately accepted, \$75,000,000 came from the lesser investors and only \$25,000,000 from the banks, the insurance companies, and the larger investors of accumulated funds. I think the desires of my hon. friend have really been met in that loan, and if not in that loan, they are met in the provision of the proposed legislation for the issue of debentures, in small sums, in order that the person who has one hundred dollars saved out of his earnings can put it into the war fund and thus help to carry on the activities of the war, and, at the same time, make an investment for himself which will bring a fair interest return. The prosecution of this plan with energy and discretion, throughout the length and breadth of Canada I regard as being an eminently fair way, and I hope it will prove a successful way, of interesting the people of small sav-

ings to take their part in the support of the war and at the same time to make wise provision for their own future.

My hon. friend (Mr. Maclean) then spoke of the tabulation of expenditures. He believes that as the expenditures all come out of the one pocket, and all go to the carrying on of the affairs of the country through the different branches of administration, it is simply vexatious and unnecessary, and perhaps misleading as well, if all are not grouped under one head. If this were done, he says, we should have no disputes about surpluses and deficits. Well, I imagine that there was a reason why, in the denomination of expenditures in our early history, a system was inaugurated which made a distinction between capital expenditure and ordinary expenditure. This was a young country, with almost unlimited area, but with very sparse population. It was agreed on all hands that the men of the existing generation were not able to bear the burden of all the expense of opening up the country, and that posterity, which would enjoy the improvements that were made, might well be called upon to pay their proportion of the expense of making these improvements. The effect was to show a little in detail and to keep before the people what I do not think is a very bad thing looked at in that light—that there are differences of expenditure, that some expenditures are for the present day and others are for the future, and that it was fair and desirable that it should be known how these were distributed. Let us look at the war expenditure for example. The people of the future will read our public accounts, and they will find under our method of summation that in the years 1914, 1915, 1916—maybe 1917, we do not know—there was a vast increase in expenditure that the expenditure ran up from tens of millions of dollars to hundreds of millions of dollars, making, in the aggregate, many hundreds of millions. If there were but one summation of expenditure, the men of the future would scarcely know how to rate and judge the people of these three or four years in their expenditure of these extraordinary sums. I think it eminently fair to have such a summation of expenditures as shall show that in these years a sparsely populated country tackled the problem of defence of liberty and justice for themselves and for the Empire, and that the interests of posterity justified the expenditure of these hundreds of millions of dollars and the