

Sir THOMAS WHITE: No arrangements have been made as to the purchase of wheat. That in the past has always been carried out, as my hon. friend knows, through the chartered banks of Canada.

Mr. OLIVER: Will the minister mention what is the condition in regard to bacon?

Sir THOMAS WHITE: I was coming to that in a moment—I am glad my hon. friend reminded me, although I do not think I would have forgotten it. At present Canada's bacon is going forward to Great Britain, but it has been drawn to my attention that the British Government may require some assistance in connection with the purchase of Canada's bacon, which means so much, as my hon. friend from Edmonton knows, to the hog industry of Canada. Nobody knows that better than my hon. friend. The only reason I mention these things is that I desire the House to know that the problem is a large one and not confined to munitions. It touches the farmer in his production of cheese, hogs and cattle, so that the financial question is a large one, and the point I desire to draw to the attention of the House is that the Dominion Government has been supplying the Imperial treasury, for the purposes which I have mentioned, with vast sums of money, sums which it would in the period preceding this war have been deemed absolutely impossible for us to supply. I venture to say that no member of this House, and no citizen of this country, would have predicted that it was possible for the Dominion Government to assist the Imperial treasury to the extent that I have indicated since the outbreak of this war.

I desire the House to know in connection with this debate, although it has been placed in Hansard before, the magnitude of the financial operations which the Dominion Government has carried on for the Imperial treasury. It is not sufficient to say that these operations are a set-off to the expenditures made by Great Britain for Canada in respect of our troops overseas. The fact of the matter is that Canada has been able since the beginning of this war not only to pay her own way, but to give Great Britain a sum exceeding \$100,000,000 towards the prosecution of the war, through the purchase of munitions and supplies in this country. Since the outbreak of this war the Dominion Government has advanced in cash and securities, which securities were pledged in New York and furnished the basis of an Imperial credit there, no less a sum than \$443,000,000.

[Mr. R. B. Bennett.]

Mr. PUGSLEY: Would the minister explain the nature of those securities?

Sir THOMAS WHITE: We issued to the Imperial treasury about \$112,000,000 of 3½ and 4 per cent securities maturing in 1928 and 1945, in liquidation of advances made by the Imperial Government. The Imperial Government pledged those securities in New York and used them along with other securities as the basis of a large loan which they raised there in the period preceding the entry of the United States into the war.

Mr. PUGSLEY: Does the Imperial Government have to pay interest?

Sir THOMAS WHITE: No, we pay it.

Mr. PUGSLEY: Does not the Imperial Government pay interest to this Government?

Sir THOMAS WHITE: No. We have given them the securities, and we pay the interest because the securities are given.

Mr. PUGSLEY: I wanted to know whether or not the Imperial Government pays interest to Canada upon the advances that Canada makes.

Sir THOMAS WHITE: There is an adjustment of interest on both sides. We charge interest here, and they charge interest there. The point I was making was that Canada has advanced in cash and securities \$100,000,000 more to Great Britain than Great Britain has advanced to Canada since the outbreak of this war. So far as the munitions industry is concerned, the Dominion Government is furnishing more money now per month than it has furnished since the war began. I have stated that it is our intention to continue the payments of \$25,000,000 per month until the end of the year, and it is our expectation that we shall be able to continue them until the end of the war. Further, the Dominion Government has financed for the Imperial Government the purchase of Canada's export cheese production, which otherwise would not have been able to find a market, and we have been approached and are now considering the question of furnishing credits which will enable the Imperial treasury to buy other foodstuffs in Canada.

This financial question is a large one, and we have met it in a large way. The only objection I have to make, although I do not desire to be controversial, is this: When I was faced in July last with the problem of raising over \$100,000,000 with-