

MacDonald—that there can be no return to a permanent prosperity until such time as there is stability of exchanges between the nations of the world. How can it be otherwise? If I buy to-day in sterling and I find it is worth \$5, and thirty days from now when my obligations mature, I find it is worth \$4.80, or vice versa, how can I hope to have business firmly and steadily established? These are facts that we must consider. It is no more possible for us to solve these problems by mere words than it is by taking thought to add a cubit unto our stature.

There are great forces in the world which we do not control, forces under the control of the millions of the world. We are but ten and a half millions. We are doing our part, but I am sure that these great forces will bring their power to bear ultimately to settle and agree upon the valuation of currencies in order that the world may continue its international business. Hon. members will recall a speech made not long since by Mr. Owen D. Young. He spoke at one of our great universities and he pointed out that probably the future international trade of the world would rest not with our manufactured commodities as much as it would with our luxuries and primary products. Along with other countries, Canada has become a great industrial country. All countries are endeavouring to utilize their raw materials and develop them into finished products. Where a market existed thirty years ago, there is none to-day; where one existed ten years ago, there is none to-day. We are endeavouring to supply our own wants and other countries are doing the same. Changes are taking place everywhere which restrict and limit the ambit of our influence with respect to international trade. It is not possible for us to sell our commodities in countries that can produce the same commodity more cheaply than we can. Mr. Young was of the opinion that having regard to the changed conditions, we would be limited in the international field more or less to the sale of luxuries and raw commodities. That is the reason why stability of currencies is so overwhelmingly important, and I trust that the central bank we set up may play its part in bringing about that end.

I do not think I can usefully say anything more about this phase of the discussion, but before I leave it I want to refer to one matter, in connection with a guarantee given by the government of the day to enable the Canadian Pacific Railway Company to discharge its obligations. This parliament vested the executive with power. It was not power usurped, it was power conferred. Those

opposite were opposed to the granting of that power and authority. But this is fundamentally the keynote of the policies of the United States to-day, that the executive has had conferred upon it power and authority in a manner and to an extent never before known. Why? Because emergencies arise from moment to moment which must be dealt with promptly. You cannot set in motion the complex machinery of a parliament or a congress at a moment's notice; the thing must be accomplished by special action. The government that does it must accept the judgment of this house or of congress, as the case may be. If it errs, it will be condemned; if it is wrong, it will reap the punishment of its wrong acts. But if in the discharge of its duties it has kept the public interest always in sight, has used its best judgment, and has seen to it that honesty and integrity shall characterize its transactions, then at least I believe that the House of Commons as well as the people of the country will say that that condition, arising as it has, should be dealt with promptly. In that regard I should like this house, on the very threshold of the session, to understand how difficult indeed it is for this country to carry on where money is required. We have but limited revenues and but a limited population from which to draw them; we have but limited wealth. We have no accumulations of wealth as the older countries have, and, what is more, we must bear in mind the vast aggregation of responsibilities incurred by Canada in the great war, by which we pledged the future to an extent far beyond the general understanding of the people of that day. The future was pledged to an extent which means that to-day our debt is nearly three billions of dollars, and we have a second debt—because debts are measured by the sums on which you have to pay interest to those who lend; we have therefore a second debt in connection with the railways, of nearly one billion dollars. Under these circumstances you can see why it is that we cannot spend millions as our great neighbour can spend billions. When they have exhausted their program to the extent of twenty billions more they will not have a debt, per capita, as large as that of Canada.

Let it be clearly understood that this country has imposed upon it limitations because of the conditions created in the past, and obligations incurred. With respect to the railway situation, the right hon. gentleman yesterday said that more lines of railway were built under the Conservative than under the