

position to give us authoritative information upon this subject, seems to be most encouraging, and it is apparent that we have reached the point at which it becomes apparent that good times are coming again. But perhaps a better test than even that is that we have converted a debit balance into a credit balance, that we have become a creditor nation instead of a debtor nation. In the year ended November 1, we sold \$153,000,000 worth more than we bought, which I think is a startling fact in our economic history and development. Who would have thought a year ago that we would have been able to finance a domestic loan? Yet during the year our Government decided to make the attempt, and they ventured to ask for a \$50,000,000 loan. There was some doubt expressed in the financial world as to whether the people of Canada would subscribe to a loan of that kind, but this doubt was set at rest very early, because, instead of \$50,000,000 being subscribed, in a very few weeks the Government were in possession of \$100,000,000 of Canadian money for our Government loan. That struck me as a remarkable incident in our economic development.

You may remember, Mr. Speaker, that when the war broke out, this country was borrowing at the rate of \$1,000,000 a day, and these borrowings were cut off just as if a tree had been cut off with the axe at its root. The stock exchanges of the world were closed down and no one knew what the collateral was, not even our bank men themselves. But Canada was fortunate in having a Minister of Finance who had the foresight and the courage of the present occupant of that high office to tide us over the financial difficulties of that time. The Government suspended gold payments, a risky thing to do; but they took the risk and they were justified in the results. They did more than that. They used the Government treasury as a rediscount bank for bank paper, and they were justified in the results. On that occasion you remember, Sir, and we all remember, that the financial superstructure of the whole world rocked upon its base, and we had a feeling at that time that Canada, a young country, in the early stages of its economic development, would suffer more than any other country as a result of that dire catastrophe, the declaration of war and its consequences, but in less than a year, Canada righted herself, confidence was restored, credit returned, and our trade balance was reversed. We raised \$100,000,000 from our own people for the great war

[Mr. A. Thompson.]

fund in addition to large sums for other patriotic funds. I consider it a magnificent record for Canada at this stage in our development.

To apply the financial and economic test beyond the borders of Canada, let us see how Great Britain has stood the test of this great war, notwithstanding the fact that she is to-day financing so many of the smaller nations of the world. You may issue a currency that will pass when it is restricted within the confines of the country itself, but offer that currency beyond the borders of the country and you will immediately find out what its value is. Apply that test first to the value of the British pound as against the German mark on the New York Stock Exchange. The British pound has gradually increased until now it is very nearly at par value, while for many weeks the German mark has gradually decreased, and in a few weeks' time, if the decrease continues, the German mark on the New York Exchange will be worth just about fifty per cent of what its face value calls for, so that, taking the financial test, whether in Canada or in Great Britain, I feel that at the present time we have stood the test well. This war is a tremendous strain, the greatest strain this Empire has ever been called upon to bear, and I suppose the greatest strain it ever will be called upon to bear, but it is pleasing to note, after a year and a half of this contest, that our financial condition is so splendid.

All this, Mr. Speaker, has been brought about because of this world-wide war, the greatest in the history of the world; but we all like to think in connection with it that we have done our little share; and, taking, not what our own people say we have done, but what others outside of this country say we have done, we need not be ashamed. Our Canadian boys in Flanders have carved out for themselves names in the halls of immortality by their bravery, and their dash, and their intelligent initiative. They have made the name of Canada immortal, as well by laying down their lives and making the supreme sacrifice for the great principles for which we are fighting. We little thought that we could raise such an army as we have done in so short a time, and it is a source of great pride to me, as I know it must be to every member of this House, to feel that the boys from the factories, and the banks, and the farms, and the forests, and the fisheries, after only a very few months of training, went to the very front rank of