

of the discussion, my hon. friends opposite conceded these two points and indicated

that there would be no opposition so far as the principal war vote, the interest upon the war votes and the provision for pensions were concerned. The assertion was made, and the attempt made to prove it and to support it by argument, that nothing else should be included in the war vote, and that for all outside of that these hon. gentlemen were free to oppose and yet to consider themselves as supporting the Government in its war measures.

My hon. friend from Red Deer (Mr. Michael Clark) asked a question, asked it more than once: Why should Canada be affected in this way by the war? My hon. friend the junior member for Halifax (Mr. A. K. Maclean) ventured the opinion, from the slight analysis he gave of it and after the short period he had it under review, that only a small part of the diminution of public revenue was due to the war, and that the larger part of it was due to causes entirely outside the war, and that if there had been no war this would have occurred and would have to be made up. Now, in the discussion of that question it is not necessary to go into details; for I think it is plain to every man who reads and thinks that there is an effect from the war over and above what is required for preparation, equipment and maintenance of soldiers, also over and above what is required for their pensions and to pay the interest on money borrowed in this connection—that there are other consequences, other direct entailments of a war which are felt by Canada as well as by every other country and which contribute in a major way towards the diminution of the revenue and the dislocation of trade, and which consequently act as a damper upon progress and upon enterprise. Let us answer the question that my hon. friend from Red Deer asked: Why is it that Canada should be so affected by this war? My first answer is, because Canada is an integral part of the world—just as much an integral part of the world, suffering or rejoicing with the rest of the world, as the foot or the hand of a man is part of his body, to suffer or be healthy according as the rest of the organism is normal or the contrary. Never in any period of the world's history has this been so true as it is to-day. As the central forces from the heart course through every part of the body and give vitality to all, just so to-day the central forces of the world percolate,

permeate, find their way into the most remote ramifications of the life of every closely-connected portion of the world. To say that Canada would not be profoundly affected by this war except to the extent of the direct financial burden which she imposes upon herself by reason of her participation in it, is to say what I think will not hold for a single moment in the forum of public opinion. I have had a good deal to do with what has been going on in connection with the war, and I confess that I do not fully feel the responsibilities connected with or realize the consequences which are being and will be entailed by its occurrence. With equal truth it may be said that every member of this House, intelligent, thoughtful, studious as he may be, has as yet but looked over the edge of the precipice, as it were; he knows very little about the seething forces that are beyond him, the effect and influences of which are yet to be felt not merely in Canada, but in the whole, wide world. So I say that it is necessary for me, for all of us, to think this matter out item by item and part by part in order that we may be fairly and adequately seized of what is meant by the greatest war in the world's history; by the most unprecedented course of events that the world's historians will ever have attempted to record.

In the first place, when war broke out, capital was affected. The borrowing power of this country abroad was absolutely cut off. Borrowing power in Canada itself was restricted, restrained and diminished, from the highest circle of borrowers down to the smallest unit. In the present constitution of the world; in its vital union; can a thing like that take place without having a tremendous effect upon the business and other relations of all countries? When war broke out, the credits of the world suffered collapse. As borrowing was stopped, so credit ceased. Foreign credits were no longer given; in every country credits from the highest circles down were curtailed and diminished. Any thoughtful man knows what that means.

What happened to securities in that juncture of circumstances? Every security, from the highest to the lowest, dropped in value; hundreds of millions of them became absolutely useless as instruments of credit. So it happened with other instruments of credit as well. As to trade, what happened? Orders involving in the aggregate vast sums of money, which had been placed in other countries with Canadian producers, were at