

received as to the period from April 1 to July 20, will, I am sure, be interesting, as well as gratifying, to the committee.

The total revenue from April 1 to July 20, was, in round figures, \$78,276,000. Our total expenditure for that period, ordinary, capital and special was \$40,821,000, leaving a balance applicable to our war expenditure of \$37,000,000. That is to say, since April 1 of the present fiscal year we paid our ordinary, capital, special, pensions and increased income expenditures, and we have \$37,000,000 to the good, applicable to our war expenditure. In a foot-note the deputy minister says:

These figures represent receipts and payments which have passed through the books of the Finance Department to July 20, 1917, together with a close estimate of expenditure to July 20, 1917, not yet passed through the books.

So that, while the figures may not be mathematically accurate, they represent a close estimate.

The total war expenditure of Canada in Canada to July 20 was \$388,627,000. The total war expenditure elsewhere, including estimate of maintenance of troops in France from September 30, 1916, to July 20, 1917, at 6 shillings per man on an average of 117,000 troops, was \$234,600,000, making a grand total of estimated war expenditure to date of \$623,000,000.

Mr. MACDONALD: That is since 1914.

Sir THOMAS WHITE: That is the entire expenditure since 1914.

Mr. A. K. MACLEAN: What was the war expenditure from April 1 to July 20, 1917?

Sir THOMAS WHITE: War expenditure, Canada, from April 1 to July 20, 1917, \$39,702,000. It will be interesting for the committee to observe that the amount which we have to the good is just about, though not quite, equal to our own war expenditure in Canada. I have not a statement here as to how much we have spent in Great Britain or abroad from April 1 of this year to July 20. All I can give is a general statement as to our expenditures elsewhere than in Canada since the outbreak of the war. I propose later, probably within the next week or ten days, to make a financial statement, in which I shall advert particularly to this matter, because I want the House and the country to keep informed as to the financial situation. I think it is right that they should know the facts, and as minister it is my duty to lay those facts before them.

The total amount which Canada borrowed from Great Britain to July 20, 1917, was, in [Sir Thomas White.]

round figures, \$317,000,000. That includes everything. On the other hand, we advanced to Great Britain up to July 20, 1917, \$302,000,000. The amounts are about equal, subject to this: we repaid Great Britain \$107,000,000 of the liability which we owed her, by an issue of securities of $\frac{3}{4}$ per cent dollar bonds due March 1, 1928, \$95,000,000; and $\frac{4}{8}$ per cent dollar bonds due December 1, 1915, \$12,400,000—a total of \$107,000,000.

We repaid Great Britain our liability by the issue of those securities. I used the word "repaid," because those securities are pledged in New York for the indebtedness of Great Britain there. Therefore, the balance due by Great Britain to Canada on open account on July 20, 1917, is about \$95,000,000. This statement is necessarily a fragmentary and partial one. When I make my financial statement to the House a little later on, I shall point out the extent of our estimated expenditure during the next few years and also inform the House as to the financing which we are doing here for Great Britain in order that Great Britain may purchase in Canada, munitions, cheese, hay, oats, flour, and other supplies. I have proceeded upon the assumption that it was our duty to do what we could to assist the financing of Great Britain in buying munitions and foodstuffs in Canada. In the first place, it is our duty because in that way we are materially assisting her in the prosecution of the war, and secondly, it is of great advantage to this country from a business standpoint and from the standpoint of our agriculture that Great Britain should be able to purchase in Canada munitions, raw material, supplies of all kinds, cheese and other foodstuffs. We have been able to do much in the way of assisting Great Britain to make those purchases. In my statement I shall refer to the extent of the assistance which we have rendered and are about to render.

It is necessary that we should extend liberal financial assistance to Great Britain to purchase in Canada by reason of an element to which I hesitate to refer, because I know my hon. friend from Pictou (Mr. Macdonald) takes decided objection to it. I refer to the question of exchange. My hon. friend says that whenever I find myself perplexed or driven into a corner, I always resort to the exchange question. I would like to say to my hon. friend from Pictou, who knows more about exchange than is indicated by the remarks he has made respecting it to myself, that the exchange question is one of the most extreme im-