

lation, the development of her natural resources, and those immaterial and elusive problems, still more difficult of solution, which have to do with her mental, moral and spiritual welfare. These varied questions are so interlocked and merge into each other at so many angles, it is well-nigh impossible to treat them apart, but from a legislative standpoint the attention of Parliament must of necessity be directed chiefly to measures dealing with the material aspects of the situation.

Permit me, then, to outline a few of the outstanding problems which to my mind demand our careful consideration. There are doubtless others which to some will appear of more vital import than those I propose to discuss. It would be impossible, Sir, even were I qualified, to cover the whole field, nor have I any desire to pose as a rival to the late all-wise, unlamented and much "wanted" William Hohenzollern.

To meet the heavy obligations incurred by the war (and I decline to delay the House by further definition of these—they are as familiar to us all as is the aspect of the most prominent landmark in our own constituencies) we must adopt such steps as will ensure prompt and full payment. It is significant that in an international memorial submitted last month to the Governments of the Allied and Associated powers, a memorial bearing the signatures of the most prominent financiers of the world, the following statement was emphasized: "No country is deserving of credit nor can it be considered a solvent debtor that cannot or will not bring its current expenditure within the compass of its receipts from taxation and other regular income."

The steps to be adopted have already been set out in the speech from the Throne; they are, in one aspect, precisely those so often commended to the public at large; so often, indeed, one hesitates to again mention them before this assembly. They are like the cardinal virtues, so facile of utterance, so difficult of attainment! Because it is easy enough to tell an audience or a nation that every one must produce and save, that "work" and "thrift" must be emblazoned on the national shield: whereas most of us find it hard to increase our normal output, and still more trying to change the habits of a lifetime and, for the sake of an altruistic benefit, to deny ourselves the luxurious necessities of modern existence. Many of us, too, appear to have forgotten the first lesson in political economy which teaches so clearly that dollars expended on luxuries not only cease to fulfil their proper

function but enter into direct competition with those employed in productive trade.

A special committee on currency and foreign exchange, appointed by the British Treasury under the distinguished chairmanship of the late Baron Cunliffe, did not hesitate in its final report to the British House in December to repeat these maxims in the following language: "Increased production, cessation of Government borrowings, and decreased expenditure both by the Government and by each individual member of the nation are the first essentials to recovery."

It will not, therefore, be less than our duty to consider in what manner the Parliament of Canada may best practice the doctrines which it is universally conceded lead to financial salvation.

Let us first examine the negative branch of the above commands, because economy or thrift is in a literal sense the inhibition of extravagance. On this side the Government can do much. In the first place, its borrowings should either cease altogether or be brought down to the irreducible minimum, and in the second place, every unnecessary expenditure should be ruthlessly vetoed.

Our uncontrollable expenses are enormous; interest and sinking fund alone exceed the total charges on the Consolidated Fund in the year prior to the outbreak of the war,—we cannot possibly lessen these: then there are the sums due for Soldiers' Pensions, Land Settlement, and Civil Re-establishment: even were these controllable the desire of our people is that there shall be generosity rather than niggardliness. They acknowledge that the debt we owe to the dependents of those who have fallen, and to the maimed and disabled, is a more sacred obligation than that engraved upon any bond.

Again, there are the absolutely necessary charges for the defence of this country, whether by sea, in the air, or on the land. There is no need at this moment to enter into a discussion of our national status, because, quite apart from any change in that respect brought about in the main by the wonderful achievements of our soldiers, it is unthinkable that we should longer remain content to sponge upon the over-burdened taxpayer of Great Britain.

Where then can we economize? It is difficult on an occasion such as this to particularize, but in general terms one can assert that no expenditure should be authorized unless it be absolutely necessary and that it also will tend to increased production. A halt must be called in the prosecution of public works which do not come within the