

—there is not much to look at—and then criticize the Government of Canada for inflating the currency. We have got one of the best currency situations in the world to-day, and there is not a financial man in Canada, in the United States, or in England that does not know it.

Mr. MICHAEL CLARK: Can the hon. gentleman give the House any idea of what the percentage increase of our currency is over what it was the year before the war?

Sir THOMAS WHITE: I cannot offhand but the Minister of Finance can give that information without any difficulty. I placed it on Hansard last year in my Budget speech.

Mr. MICHAEL CLARK: Surely my hon. friend has some idea of that most elementary question in his own department.

Sir THOMAS WHITE: My hon. friend will get the details in due course but the statement that I have made is correct. My recollection is that it was forty per cent of the gold reserve in Canada.

Mr. MICHAEL CLARK: My question is: What was the percentage of the increase of the currency of Canada over what it was the year before the war?

Sir THOMAS WHITE: It does not compare with the circulation of either the British Government or the Bank of England. My hon. friend should look up the facts when he speaks upon this question.

Mr. MICHAEL CLARK: I am looking.

Sir THOMAS WHITE: Now my hon. friend (Mr. Clark) also touched upon the tariff. I am not sure whether it was he, or the hon. member for Marquette (Mr. Crerar) who referred to the fact which has been put forward on more than one occasion to the farmers of this country, that on account of our policy the farmers have moved from Canada. I ask the hon. gentleman where are the farmers who would have been in Canada but for our policy? I ask the hon. gentleman did those who left the farms of Canada to go to the United States engage in agriculture, and if so how many of them? You will find the cities over there full of Canadians who went seeking industrial, commercial and financial opportunities, where they have done exceptionally well; but it seems to me it would be a wise policy on the part of this country to bring about such a development of the industries and the commerce and finances of Canada, as to keep those men at home

in the work in which they desire to engage. Because men have varied talents. How many men in this country are farmers? A large percentage, it is true. But farmers' sons have various talents. One is a skilled mechanic, another will make a soldier, another a professional man, and so on. How are you going to prevent the farmers of this country from giving their sons that opportunity if they so desire? All that is involved in this question.

Now my hon. friend says: Oh, but your domestic loans. He shakes his head over our domestic loans and says there is plenty of money in the country. So there is. But does the hon. gentleman think that the loan which was floated last Fall could have been floated in 1914? Will he look at the bank credits of Canada now and compare them with the situation before the war, and will he tell me we could have floated a Victory Loan in 1914? No, we could not; the money was not in the country. What was the result of the floating of our Victory Loans, broadly speaking? Every loan a success. But for that our banks would have had to take the securities as they did in New York. That is one of the difficulties down there at the present time. Those banks had to take too many of the securities because the interest rate was too low. Three thousand million dollars the financial institutions in New York took that they did not want. It is the function of a bank not to buy securities but to loan on securities. We finished the war with a perfectly clean financial situation. None of the banks owned bonds that they did not desire to own and the amount owned was very small. It was a perfectly healthy situation because our loans had been distributed all over Canada among probably two or three millions of people. They are the bond holders of Canada; they have got that stake as well as other stakes in the community. What about our securities, and from a market standpoint? No country in the world—including Great Britain that my hon. friend so properly holds up as an example—where the Victory Loan securities stood at par, or above, at the end of the war except Canada—not one. In the United States, 90-92. How did the bond owners feel all over the country? I would like to have all the bond holders of Canada here that took Victory Loans but you could not gather them in Ottawa, the place is too small—one million and a half and two millions of them. Yet my hon. friend gets up and contends we should have put the loans out at such a figure they would be down to 90