

profits and income taxes of steadily increasing weight were imposed, and the burdens were distributed more fairly. The Dominion was able not only to meet the whole expenditure of its armed forces but to reverse the relations which existed before the war and to become, as far as current liabilities went, a creditor rather than a debtor of the United Kingdom.

It was not merely the financial relations of Canada with the United Kingdom which required readjustment. The service and the sacrifices which the Dominions had made in the common cause rendered it imperative that the political relations between the different parts of the Empire should be put on a more definite and equal basis. The feeling was widespread that the last remnants of the old colonial subordination must be removed and that the control exercised by the Dominions should be extended over the whole field of foreign affairs.

The Imperial Conference met in London in the spring of 1917. At special War Cabinet meetings the representatives of the Dominions discussed war plans and peace terms with the leaders of Britain. It was decided to hold a Conference immediately after the end of the war to discuss the future constitutional organization of the Empire. Premier