money contribution to the British Navy sufficient to build three dreadnoughts — then the latest weapon in naval design — to be used by the British Navy and ultimately perhaps to become part of a Canadian one. Borden did not offer this gift unconditionally: in return he wanted a Canadian voice in determining British naval and foreign policy. This was something that the British found difficult, if not impossible, to concede. However, after forcing the Naval Aid Bill through the House of Commons in 1912 under new rules of closure the government had to abandon the Bill as it was defeated by the Liberal majority in the Senate.

2.4.1 The First World War

Legally, when Britain was at war Canada was at war; in 1914 there was no question that most of Canada, including Quebec, supported a war waged by England, France and Russia against Germany and Austria. In October 1914, 33,000 Canadian troops sailed for overseas, many of them never to return, and other divisions followed. The Canadians were among the best Allied shock troops on the western front, in that hideous landscape of barbed wire, machine guns and mud, defensive techniques so effective that attacks of any kind, whether by Germans or Allies, resulted in staggering casualties. In Borden's view, the Canadian commitment to the war in men and material warranted a voice in the British conduct of the war. Information was indeed conveyed at the highest level; but consultation was another matter.

By 1917 the rate of Canadian casualties was already causing a crisis in Canada. Borden came back to Canada in May 1917 after a visit to Britain, convinced that the allied position was critical and that Canada would have to do more. Others at home were not so convinced. The Canadian army had enlisted French Canadians but generally the government had failed to enlist their sympathies. Some of this failure was undoubtedly attributable to the government itself. There was a dispute in Ontario over French-language schools and Henri Bourassa believed that domestic threats to French Canadian life at home ought to be eliminated before tackling enemies abroad.

Borden introduced conscription, but could not carry Laurier with him. The Liberal party split, some English-speaking Liberals joining Borden's government in a Unionist coalition. Essentially, Borden had to govern without French Canada. There was some opposition to conscription in Canada, not only in Quebec but also among farmers in Ontario, the west and in the Maritimes. Nevertheless, in the 1917 election, Borden and his colleagues took 153 seats, against 82 for the Liberals. This figure underestimates, however, the support of the Liberal party: Laurier and his Liberal remnant took 40% of the popular vote, 74% in Quebec and about 45% in the Maritime Provinces.

Borden insisted upon Canada's voice being heard in Imperial war policy and to a considerable degree carried this insistence right through to Canada's signing the Versailles Treaty in its own right. The first major step in the development of national sovereignty had thus been taken.

The war caused a good deal of inflation and economic maladjustment in Canada which was reflected in the postwar period by the Winnipeg General Strike of May 1919 and the great diversity of regional interests and political parties evident in the election of 1921. There were new men on the scene: Borden had retired in 1920 to be replaced by Arthur Meighen (1874-1960); Laurier had died in 1919 and was replaced by Mackenzie King (1874-1950) who became Prime Minister in 1921.

2.4.2 From prosperity to depression

Canada of the 1920s was already a perceptible distance from the Canada of a decade before: automobiles were now commonplace and women had the vote. Prohibition which had achieved temporary success during the war was now gradually being eased by the establishment of provincial government-owned liquor stores. The stock market blazed its meteoric course across the later twenties and many Canadians were caught both in its rise and more disastrously in the crash that came in October 1929. Savings large and small disappeared and the enormous liquidation of investment went on into the early thirties. Britain went off the gold standard in 1931, the beginning of the end for the British pound's 70-year role as the world's international currency. The economic plight and the frustrations of the unemployed took its vengeance on Mackenzie King whose Liberal government fell in 1930.

R.B. Bennett (1870-1947) and his new Conservative government urged Canadians to tighten their belts. Government budgets were cut and deflation went steadily on. Dollars