

Hon. Mr. LOUGHEED—No proclamation as to this has been made and if circumstances should warrant the Government proclaiming a moratorium under the extraordinary conditions that might arise, we might have power to do so, but at the present time there is no intention of doing so.

Hon. Mr. BELCOURT—Do I understand my hon. friend to say the moratorium is covered by this resolution?

Hon. Mr. LOUGHEED—No, it simply gives power to the Government to exercise the powers enumerated in the Act. There is a number of them.

Hon. Mr. POWER—I do not think the hon. gentleman has given us quite all the information that we should have had. Paragraph (a) reads as follows:

(a) authorize the making of advances to the chartered banks and to the savings banks to which the Quebec Savings Banks Act, 1913, applies, by the issue of Dominion notes upon the pledge of securities, deposited with our said minister, of such kind and amount as may be approved by the Treasury Board; such advances to be repayable at such times as the Board may determine with interest at a rate likewise determined by the board of not less than five per cent per annum;

(b) authorize the chartered banks to make payments in the bank notes issued by such banks instead of in gold or Dominion notes.

These are extraordinary powers, and I think the hon. gentleman should have made it clear that it was necessary that the Government should be authorized to do these things. As I understand, looking at the returns of the various banks that come in every month and are published every month, the banks appear to be in a most prosperous condition—large sums of money in their coffers, business good, liabilities less than before—and it does not seem to me that there is really any necessity for giving the banks control of more funds than the Bank Act allows. It would be a great deal better to let the banks go, as they are very well able to do without any help from the Government. I do not understand financial questions very well, but there is another matter I wish to refer to. I do not know whether it was under this proclamation or otherwise that the Government allowed certain parties to get into their debt to a very large amount. I think there were some ten million dollars loaned to the Canadian Northern Railway Company, and seven million to the Grand Trunk Pacific. We ought to feel sure when we are giving the Government power to do these things that that

power will be exercised in a conservative spirit, particularly as this Government is supposed to be a conservative government.

Hon. Mr. KERR—Is there any reason why the class of securities and the amounts should not be laid on the table, when we are called upon for permission to continue a credit. Should we not be informed of the nature of the transaction up to the present time? I think it is the duty of Parliament to make this inquiry and ascertain what the facts are. We should be informed as to what use has been made of it; has it been used in general aid of the situation, or has it been by particular aid, or particular favours to certain banks? We ought to have that kind of information before dealing with this question.

Hon. Mr. BEIQUE—There is nothing very extraordinary in this power which is given to the banks under this resolution. That power exists in many countries, and it is simply doing what has been done by the Bank of England in England, the Bank of France in France, by the Bank of Belgium in Belgium, by the Bank of Russia in Russia, and by banks in numerous other countries which could be enumerated, and it is very safe legislation to put on the statute book as soon as possible. I may say I am connected with one individual bank, but I am not speaking for that bank, because that bank did not take advantage of that law, and has not borrowed money from the Government.

But I am in a position to appreciate the advisability of coming to the rescue of the banks in general, and enabling them to appeal to the Government, and obtain advances necessary for their requirements. No doubt it was the duty of the Government to see that the securities were absolutely good and sufficient securities, and I have no doubt that the Government has seen to that. As to the demand made by hon. gentlemen as to why the Government could not give the names and securities that were exacted, all that could be given would be the nature of the securities. It would not be suggested that it would be proper to ask that securities given by any individual bank should be published to the world at large. To do so would be a kind of breach of confidence on the part of the Government. The law passed was in the right direction, and it was necessary, in certain cases, to enable banks to continue the advances that have been made to their customers. The

Hon. Mr. BELCOURT.