

we go back in the history of the Dominion it will be remembered that we prided ourselves that Canada had the best banking system in the world. It is a lamentable fact that failures in banks in Canada have been far greater, according to our population, than they have been in the United States, and in the last twenty or thirty years we can call to mind a great many failures, an immense loss of property of the depositors, shareholders and stockholders in these banks. That all could have been avoided, in my opinion, if the government had appointed some inspectors whose duty it was to go to the head office of the banks and inspect them. We need not inspect the branches, the branches are well looked after; the general manager appoints his inspectors, and he goes out to all the branches of the bank, and the poor bank manager is in fear and trembling until the inspector leaves, because, perhaps, he may find a dollar wrong, or something of that kind, but the head office has no inspector at all. How can you expect an inspector who is the creature of the general manager, to go in and inspect the head office? It is the duty of the government to see that this inspection is made. It does not require a great deal of money to do it, and I think we may say to the Bankers Association 'you should pay the cost of this inspection.' You have eighty or ninety millions of money floating around in the country, upon which you do not pay one dollar of tax. In England, France and other countries the banks pay taxes, but in Canada we have this vast amount of circulation of the banks which does not cost them a cent except the printing of the paper, and we might fairly say to them 'you have this large amount of money upon which you do not contribute one single dollar to the revenue of the country and it is only fair that you pay the cost of protecting the shareholders and depositors in those banks by appointing inspectors.'

Hon. Mr. POWER—Hear, hear.

Hon. Mr. CAMPBELL—I feel a little hesitancy in discussing this question, because we do not know what the government's Bill will be. I hope it will provide

a proper system of inspection of banks, and if so I shall be glad to support it. Unless something of that kind is provided, I think this House would be derelict in its duty if it did not insist that the vast amount of money in the banks of this country should be properly inspected by duly qualified, competent men, under oath to the Finance Department of Canada that they would do their duty fearlessly and faithfully to the best of their ability.

I might express my views on the naval question, without discussing what may be the policy of the government, because we do not know. I have always thought that the naval policy of the late government was an ideal one for this country, that is, to build a navy in Canada, out of Canadian material, in our own shipyards in Canada, and equipped with our own men. What a grand thing it would be if we had some of the large shipbuilding firms in the old country establishing ship yards at Halifax or at some of our ports. We have paid about twenty millions to establish our iron and steel industries on a solid foundation, and I think we have succeeded in that so that they are able to paddle their own canoe. If we had a ship yard in Montreal, Quebec, Halifax or St. John, and were building our ships in Canada, what a tremendous impetus it would give to our iron and steel industry. Why should not the great steamers of the Canadian Northern railway or the Canadian Pacific railway be built in Canada? Is it not humiliating that the 'Royal George' has now to be temporarily patched up and go limping across the ocean to be repaired in the old country? Why should it not be repaired here? Why should not the ship be built out of Canadian steel and timber and manned with Canadians? It is a national policy, it is a policy that we ought to have carried out—one that will appeal to every class in the Dominion. As was stated the other day, there could be no better time to start than now, when we have the money, when we require the ships, and this proposition would benefit England more than a contribution. Think of the condition of England, with its trade swelling by leaps and bounds. The trade