

stocks and bonds, and so forth. This was given by the Bank of Commerce about a year ago, and published in their monthly letter, and I think the practice is recommended in the report of the Macmillan committee in England. The banks should also give the number of their branches and where they are located; also the names, addresses and occupations of all the directors, and a list of the firms and corporations of which they are directors or partners.

I should also like to see them asked to make a classification of deposits in various groups according to the amount of the deposit. I notice that in the United States less than one per cent of the depositors own sixty per cent of bank deposits. A classification has been made showing the deposits in different classes. I think the same should be required of our banks in Canada for the information of the government, to give them a better idea of the economic condition of the people.

Loans by banks to stockbrokers against the collateral of stocks and bonds I think should be practically prohibited. Legislation dealing with that matter has been passed by the United States congress recently, and I think that similar legislation should be passed in Canada.

Section 138 of the present Bank Act should be struck out. That is the section which prohibits anyone except the banks issuing money or anything that might be considered as a substitute for money. Some municipalities in Canada have issued scrip for a part of their annual tax levy, and some of them in western Canada have been taken into court and sued for the penalty of \$400. I do not see that there is any reason why a municipality should not be allowed to exercise that right.

I also think that our banks should be compelled to confine their operations to Canada. The bank statement for May, 1933, shows that one of our banks had thirty-six per cent of its loans outside of Canada. With a paid-up capital of \$35,000,000, it had outside loans of \$144,000,000. From the standpoint of the safety of depositors' funds this is dangerous. A collapse of sugar prices, or a foreign revolution such as took place recently in Cuba, and which might take place in any South American country, might conceivably place some of our banks in a very bad position. What I suggest is that if the banks want to carry on a foreign business, they should form a separate corporation to transact that foreign business so that the money of the Canadian depositors will not be endangered by what may take place abroad.

[Mr. Coote.]

There are other matters which I think ought to be discussed, and which certainly will be discussed in the committee, but as my time is up those are all the suggestions I can make to the minister and the house to-day. I do hope that some of the matters which I have brought to the attention of the house to-day will be given careful consideration by the minister and by the committee.

Mr. WILLIAM IRVINE (Wetaskiwin): Mr. Speaker, it is scarcely necessary to emphasize the importance of the Bank Act to the national life of Canada at this time. At the last revision of the act I think it was necessary to emphasize it, and there seemed to be difficulty in getting a great many people to believe that it had any such importance. Since that time, however, something has happened in the world, and the information that people have to-day on banking and credit and currency and similar subjects is very much greater than it was ten years ago.

Perhaps it is true to say that the general public to-day fully realize that the national life of Canada is practically in the hands of bankers. The general public know to-day that those who control currency and credit, control the industrial life of the nation, and the depression through which we have been passing, and through which we have not yet passed, has been one great means of education, particularly on the question of money.

There is perhaps no advantage in dealing with detailed amendments on the second reading of a bill which covers a tremendous field of detailed legislation. The previous speaker referred to certain amendments, and I have no doubt that they will be put forward by him at the proper time. I am glad to notice from the speech of the Minister of Finance (Mr. Rhodes) that some of the amendments proposed are those proposed and advocated by this corner of the house some ten years ago. For instance take the amendment to fix the rate of interest. Not only did we move such an amendment in committee at the last revision—I think it was moved six or eight times, beginning with three per cent and moving up one-half per cent until we reached eight per cent—but we also introduced a bill several years ago providing for the fixing of the rate of interest at the rate now proposed. We are glad that these amendments are being brought forward even at this late date. But these are very insignificant things. Other fundamental amendments which we proposed have not been included in this bill and we shall endeavour to bring these forward, as we did when the last revision was made, in the