

but we have to have a system of advances or of rediscounting which is in the hands of an absolutely independent body, organized, I suggest, as the great national bank of Canada. We want not only these national notes; we want a State bank—a great bank perhaps built up out of the Bank of Commerce and the Bank of Montreal, to be known as the Bank of Canada. Acting as the fiscal agent of the Government, it should have great capital; it should operate under a system of rediscounting, and it should emit the national currency. By conducting operations as the bank of the country, and by adopting the two great principles of national currency and rediscounting, such a bank should contribute in a large measure to more satisfactory financial conditions without in any way antagonizing the other banks. It would strengthen them.

If we have not grown as fast as we should have grown, it is because our banking and currency laws do not keep abreast with the requirements of the times. I give the minister credit for relying on national notes to help him out of this emergency, and I give him credit also for his proposal to issue national notes up to any amount against certain securities. But this policy should be not an emergency provision; it should be the bold and avowed policy of this country that our banking system shall be based on the principles adopted by other and modern countries, especially in old-fashioned Europe. Their system is far ahead of ours in the way of helping industries and obviating unemployment; yet we have gone on with this old system.

The banks up to the present have claimed credit for upholding the credit of the country and doing everything they could to prevent financial depression. I give them a certain amount of credit for this, but it must be remembered that they have been given a monopoly of the banking business of Canada. The state must also go into the banking and currency business; it must be the ruling factor in finance. We want all our present banks. I like to see the capital of the public go into the banks, the banks making reasonable profit therefrom. They are entitled to all that, but our old-fashioned banking system is not equal to the requirements of this country. It is not equal to the requirements of the farmers; indeed, the farmers have had very little banking accommodation in Canada up to the present time.

[Mr. W. F. Maclean.]

Our banking system is not equal to the ordinary requirements of business and certainly it is not equal to emergency times like this. England is not disturbed in her financial policy at the present time, but she is willing to do anything that may be called for by the conditions. The courage of England's financial policy in the last few days is the admiration of the world. England has done everything to uphold the financial situation. She has kept the sea routes open, she has strengthened the bank of England, she has guaranteed the bank of England in discounting foreign bills. She has done everything necessary and she has pointed the way to us. All that is needed is more courage on the part of our Government, following up what they have already done. Let them do all they can in this emergency session but let them come here next session with a currency and a banking proposal that will be equal to the requirements of the country. I regret that the Minister of Finance, when he dealt with the financial position of the country and the requirements of the Government, did not go a little further. I hope he will go further in discussing his other resolutions and tell the people what he intends to do, that all he can do he will do to aid and assist the business of the country in the effort to restore business from its present dislocated condition.

I know my own people in my own constituency; I know my own city and I know my own province; I think I know the feeling of the country generally pretty well, and I believe that all Canada is behind the Government in doing everything to save the honour of the Empire and especially to maintain the cause of freedom and free government. That is worth everything. I do hope, now that the sword has been drawn, that the allies, including England and her daughter states, will keep at it until the end so that once this conflict is over there will be an end of war. If we can get rid of war by supporting the mother country and doing our full share in every direction, we will have done something that will bring again peace and prosperity to the world. We have all wished to see militarism disappear; it is the curse of humanity in this day; we have to keep at it until it is finished. I care not how long the battle; it may be a most serious, long and discouraging struggle, but now that we have entered upon it we must see it through and our legislation must be based on the fact that it is to be a long and a severe struggle. If