

members who have spent many more years there than I have. But I have been bumping along on the rocky road that everybody else has had to bump on who has had experience of frontier life. I find, as the farmers in that part of the world as well as in this have found, that the banking system as we find it to-day does not bring about the best results. I may be asked, 'what do you suggest.' I suggest nothing new, because what I would suggest already exists. You cannot find in any of the countries of Europe, in Germany, Russia, France, England, Switzerland, that they have attempted with the ordinary banking system that we have in Canada to meet the requirements of the agricultural community. When you ask us to adopt diversified farming you ask us to incur large expenditures for buildings and machinery which are not pledgeable to the bank. Now what has been done in the countries to which I have referred, to assist the farming? They have established farmers' mortgage banks, and farmers' co-operative banks. The farmers' mortgage banks gather together mortgages on farmers' houses and lands, and on that basis issue debentures which are accepted, running over a term of many years, and they are a very favoured security in the markets of Europe, enabling thereby the farmers of those European countries to get their money at rates of interest running from 3½ to 5 per cent, whereas we in this country have to pay from 5 to 10 per cent, because the ordinary banking interest paid in the great west by those who have not been born with silver spoons in their mouths, is 8 per cent, and that has to be paid monthly. I have no fault to find with the banks because, representing their shareholders, they get 8 per cent, and get it monthly. But I have this fault to find if this honourable body permits this opportunity to pass without listening to the appeal of those people and enacting effective legislation, not hampering the banking system of to-day, not doing anything to cripple it, but giving additional incorporative powers in order that we may begin in this country and give our farmers the benefits the farmers of Europe are deriving from their system, even if it be necessary to furnish a

Hon. Mr. POPE.

government subsidy at the outset in the shape of loans to co-operative banking societies, after having spent enough time to see the working of the system in Europe. I think I have said enough to indicate to all what we are interested in obtaining in the renewal of those banking charters. That is what is demanded by the agricultural community which is recognized by everybody as the backbone of every country and especially of Canada. We owe something to the farmers besides the Banking Act as we have had it for the last thirty or forty years. We owe them special consideration when other nations are setting us an example we should follow. There have been occasional failures in those institutions in foreign countries, but you will find as a whole that the mortgage banks and the mortgage security companies have been a great success, that they are increasing rapidly and that they have been of great advantage to the farming community. There is no better time than to-day for establishing co-operative societies to aid the farmers in Canada, because, permit me to say, the banks of Canada to-day are not popular. There was a time when a man looked to his banker as his closest friend. He formed a part of the family, and was looked upon as a certain tie-up in times of emergency and difficulties; but that is all changed. There has been amalgamation and consolidation of the small banks into large banks; the managers have been removed to the cities, transactions with the bank are surrounded with red tape, and the people are separated from the banker of to-day. It has excited distrust and mistrust in the mind of the ordinary man of Canada with reference to the banking system and the bankers of the Dominion of Canada. I have no fault to find with them. I am speaking of the facts as they exist, and hon. members of this House who go about among the people, if they choose to visit any part of this country, will find the feeling to which I have alluded, exists. We found much criticism this year of the consolidation of the banks, and I think the criticism is perhaps well placed. If an aggregation of gentlemen who subscribe shares want to start a bank they must come to Ottawa for