

that is this, that so far as the central bank is concerned, if the shareholders are heavy holders of interest bearing securities, which in all probability they will be, they could very well afford to dispense entirely with profit on their central bank stock in exchange for the more lucrative possibilities of increasing the value of their securities. This they could do by controlling monetary policy through the central bank, and that is the real danger in the proposed act. The sincerity of the government notwithstanding, this profit-limiting provision amounts to throwing a sprat to catch a mackerel. Let us ask by what magic officials of private corporations supposedly become wiser and more virtuous as public servants than men and women who have been elected by the public and charged with the specific duty of giving the public service? In what is that extra wisdom or virtue to be found? Does it lie in the mere buying of a share of stock? Is it to be found in the fact of private ownership of a share of stock or where is the difference to be found?

Suppose, for instance, the government sell central bank stock to 50,000 Canadians and the directors and governor of the bank are elected as provided for in the bill. Does any one for a moment suppose that by that method we may feel assured that we shall get a wiser or more honest or able governor of that bank than we would if he were appointed by the Minister of Finance, or the governor in council, or the leader of the opposition, or any other gentleman who might be entrusted with the powers and duties which now devolve upon the present administration? I do not think anyone will actually say that we could expect to get a wiser or more virtuous governor of a bank by having him elected by 50,000 shareholders of a private corporation than if he were selected by the elected representatives of the Canadian people.

Political influence is the scarecrow in the name of which public ownerships is condemned. Frankly I do not pay much attention to that. I admit the argument of the Minister of Finance this afternoon was one which would blast all parliaments and all governments whatsoever; it had no other effect, for if we are to take him seriously—and I believe he meant that we should do so, because I believe he was speaking fervently and sincerely—then he is simply indicating in greater eloquence than he is aware of that this institution is bankrupt and the sooner we say so, the better. I regard this political influence story pretty much as a scarecrow, but if political influence is so bad that we cannot make our institutions honest and efficient, then let us cleanse out the bad influence, or stop

[Mr. Irvine.]

the whole business, and start another kind of institution. Personally I think this is more or less old wives' fables. The Canadian people have a greater need to regret the influence of bankers over governments than to regret the influence of governments over the banks. I do not speak of the present government in that regard; I mean Canadian governments in general and at all times.

It is true that government appointees are suspect. Party strife in this country as in others sometimes has gone to unreasonable limits, and the people of Canada, being true democrats, have been inclined to believe what both sides said. One side blamed the other for being corrupt; the other blamed the first for being corrupt, and the people came to believe them both. That, I say, has more or less destroyed the good faith of the people in all governments. The private institutions of this country, sensing the tendency towards socialization in every department, are exploiting the exaggeration of political conflict to which I have referred in order to hold on a little longer to their private privileges. Before I leave that point, supposing what the minister said this afternoon is true and that a private corporation can run this banking system better than can the government, then frankly, why not start a new corporation for all government whatsoever? Let us have \$10,000,000 of capital stock instead of \$5,000,000 which is the amount of stock fixed for the Central bank, but in every other respect organize a company to govern Canada just as we propose in this legislation to organize one to govern the financial part of government, and thus take out of the hands of a political institution such as this parliament all government whatsoever; then we shall have applied in government that efficiency and that holiness which supposedly belong exclusively to private institutions. Then we shall have government by corporation, and end political influence forever. Why not do that? If what the minister said this afternoon is true in regard to a bank, it is just as true in regard to every other department of state, and the same inefficiency which he anticipated in connection with a bank must be found in every other department, so that the sooner we admit that frankly and form a national private corporation to govern Canada, the better. But let me say that I would rather take my chance as a Canadian with a nationally owned bank and its governor and directors appointed by the present government or the opposition than with a bank the governor and directors of which were appointed by the shareholders of a private corporation.