

W. F. Maclean and his Programme for Banking and Currency Legislation

By Tom King, Toronto

WHAT are the views of Mr. W. F. Maclean, M.P. for South York, upon the financial question? How does he propose to help the business of the country by recasting the banking and currency laws of Canada?

A good many people who are asking these questions to-day were less interested two years ago, when Mr. Maclean first outlined his proposals in Parliament. We are now face to face with a breakdown which, he declared, was bound to come unless in some way the business men of Canada obtained more credit and more money with which to do business. True, the war was not then in contemplation, but the war has exposed rather than caused the breakdown in our banking and currency system.

The Maclean program is not one brought forth over night to meet an emergency, it is proposed as permanent legislation. At the same time, it will meet the present emergency conditions, indeed, the legislation just put through Parliament amending the Bank Act, the Dominion Notes Act, and authorizing a currency based upon collateral other than gold, follows closely along the lines proposed by Mr. Maclean. That this recent legislation appears to be a machine without motive power, and so far has done nothing to relieve the situation, maybe due to the fact that it departs from the fundamental proposition upon which Mr. Maclean's proposals rest, namely, that all the money of this country should be issued by the Government. It leaves the banks in control of the financial situation, instead of vesting that control in the Dominion Government.

It may, therefore, be interesting to note what is the program which has been presented to Parliament and the people by the member for South York.

ONLY GOVERNMENT MONEY

1. In the first place, Mr. Maclean believes that the Government, and only the Government, should issue money. At present we have in Canada two kinds of currency; one is issued by the State under its sovereign power to emit currency; the other is issued by the chartered banks, to whom has been delegated the power to issue money by the State. All our metallic money is issued by the Government and bears the King's head; practically all of our paper money is issued by the banks.