

western farmers, and to some degree the Alberta farmers. After about 1932, from 1931 to 1932, the banks closed the lid on credit so far as the farmers were concerned, and they did not get off that lid until after the war started.

Mr. BLACKMORE: That is right.

The WITNESS: You can go into the province of Saskatchewan and collect up the men, the farmers, who were able to continue to secure credit from the chartered banks in the years that I mentioned—that is from about 1932 to 1939—and you will find that they were about as scarce as hen's teeth. The whole farming community stagnated during those years. True, we were not getting crops. But if you have a credit instrument that is designed to function and supply the needs of any group of people, they must be prepared to take the good with the bad. Events proved that they were only willing to take the good and not the bad.

*By Mr. Kinley:*

Q. I wonder if that is wholly true? Have you any idea of the losses in western Canada during those years?—A. The losses in western Canada?

Q. By the banks?—A. The banks absorbed a lot of loss. There is no question about that. But they did not voluntarily take their licking.

Q. Oh, no.

*By Mr. Fraser (Northumberland):*

Q. Whose money did they lose?—A. Their duty and responsibility is to protect the interests of their shareholders. I have heard people saying, "All right. It is their depositors." But gentlemen, you bring me a group of business men—and I mean business men—who will continue to carry on any type of business and not make a profit out of it.

*By Hon. Mr. Hanson:*

Q. Yes. I can show them to you during the depression. I can show you a company that went six years in the red and continued to employ people.—A. Will you tell me if there was any year during that period of time—and I am speaking of what is known as the depression period—when the banks were not able to pay shareholders some interest upon their capital investments?

Q. That is another question. I answered your question.—A. Yes, I know. You can take a multiplicity of concerns that entered into business and carried on. Brazilian Traction and many others could not pay dividends during some of those years. I know they could not.

Q. Take the paper business in this country.—A. I beg your pardon?

Q. Take the paper business in this country. They carried on but at a loss.—A. Yes. They carried on, but not the banks.

Q. Well, the paper companies did.

Mr. McGEER: And the credit dealers made a clean-up on the paper companies.

Mr. SLAGHT: The paper companies were inflated 100 per cent.

The WITNESS: I think we are all foolish if we cannot agree that any group of private individuals, I do not care who they are, will not continue to maintain a business unless there is a profit accruing from that business. They may suffer temporary loss, but they can see profits ahead.

Hon. Mr. HANSON: They hope so.

The WITNESS: Or they would not continue.

Hon. Mr. HANSON: They hope that there will be profits.

The CHAIRMAN: Continue on with your argument, Mr. Bickerton.