

London they have to maintain the ratio each day. But the problem you mentioned, Senator Leonard, can be considered say nine or ten years from now, presuming that Bill C-190 has passed.

Senator LEONARD: Mr. Chairman, Senator Roebuck made some remarks on second reading of the bill last week that I myself felt should be brought to Mr. Beattie's attention. I do not know if he had an opportunity of reading those remarks.

Mr. BEATTIE: No, I have not, sir.

Senator LEONARD: I understood that Senator Roebuck wanted to put the same kind of question when the bill came up in committee, and that when he was here this morning he was under the impression that we were going to deal with this bill this morning, but he left without knowing that we were going to deal with it this afternoon. I do not want to try to put his question if Mr. Beattie did not read it, but I was rather concerned myself to have the Bank of Canada explain the matter he was raising, which was really a question of currency rather than a question of the Bank's cash reserves. Are we going to try to sit later, Mr. Chairman?

The CHAIRMAN: It depends. I have arranged so that the signal will not go until ten minutes after three.

Senator LEONARD: I will try to put Senator Roebuck's point to Mr. Beattie, because I would like to see his statement on the record, anyway. Senator Roebuck seemed to be concerned about the amount of currency as distinct from our other money, our bank deposits or reserves, and he raised some question as to the amount of additional currency, that we now have so much more currency in circulation than we had a few years ago, and his concern was—I think he did actually use the word "printing press"—as to whether there was not some temptation on the part of the Government because it could print money. Your name appears on all of them, Mr. Beattie, so you have to answer for your signature. I thought perhaps you would be good enough to put on the record the kind of controls and checks that govern the amount and issue of currency in the country.

Mr. BEATTIE: The amount of currency in circulation in the hands of the public is something really beyond our control, determined by the desire of the public to have money that can pass from hand to hand, rather than by writing a cheque. We meet that demand, in effect, by having notes available, which the chartered banks can buy from us and use to pay their depositors who want to make a withdrawal in currency.

The currency component of the total money supply is a relatively small one.

Senator LEONARD: What percentage is it?

Mr. BEATTIE: Slightly more than 10 per cent of the total. The currency in circulation is about \$2½ billion and the total amount of bank deposits and currency in the hands of the public is somewhat over \$20 billion.

Senator SMITH (*Queens-Shelburne*): What would those figures have been five or ten years ago, roughly?

Mr. BEATTIE: Quite a bit less. I can give you the figures in a moment.

Senator LEONARD: Instead of my own question, may I put Senator Roebuck's remarks, now that I am here. He was dealing particularly with one change in phrasing, and this is reported at page 1679 of Senate *Hansard* on March 17. He