

management, is pure nonsense. Upon what theory will you delegate to 5,000,000 shareholders the right to manage the wealth of 10,000,000 people, even if you gave those shares out at a dollar apiece? It would be an outrageous thing. But you have reduced that number very greatly, so that the total number of the people that might enjoy participation in this bank will be 10,000. Upon what principle will you say that you are going to create a monopoly and hand it over to 10,000 citizens, the right to manage the credit wealth of 10,000,000, or 20,000,000 as it may be in the future? Do you say the shareholders will have anything to say about the management? Do the shareholders of the C.P.R. have anything to say about the management of the C.P.R.? Do the shareholders of any of the banks have anything to say about the management of any of the banks to-day? Do the directors of the Canadian National Railway or the members of parliament have anything to say about the management of the Canadian National Railway? My friends, the men who will run this bank will be the governor of the bank and the officials of the bank. You are creating a monetary dictatorship, the same as you have in Great Britain where Montagu Norman has been recognized as the real ruler during the last sixteen years. I suggest that the policy of the legislation now needed might be described in the following language:

The assumption by government of the responsibility of controlling and regulating the operation of all economic factors upon which depend the normal and prosperous course of the political economy, and the stability of the social system to the end that "the greatest good shall be rendered to the greatest number," and to the purpose that everyone may enjoy the greatest measure of individual freedom compatible with the rights of others and that "all may live in safety enjoying life more abundantly, under their own vine and fig tree."

I have proposed to make some changes in the general outlook of government in the matter of its administration, and I say to put that policy into effect you must have a four point plan of administration. You must establish a national bank system controlling the issue of all currency, and monetization and issue of credit transferable by cheque. Can you as practical political leaders, responsible for the passage of laws, conclude that you can finance a government with the issue of national currency? Can you do that? Because if you can, you can provide the government with an abundance of purchasing power. You can eliminate taxation. Can you do those things? I submit that you can, and I submit that the proof that you can do them is to be found in what has been done. In explaining what I mean by that, let me draw your attention to the economy of a fifty-cent silver coin. You take your fifty-cent coin, and you find printed on it, "Dominion of Canada, fifty cents." You don't find any promise to pay, such as you find on your paper money. You find a declaration that it is fifty cents. If you check down on it, you will find that that fifty cents has only about twelve cents worth of silver in it. Therefore, 38 of the one-cent units in the 50 cent coin have no substance or value. When the government mints a 50 cent coin and pays it to a civil servant for 50 cents worth of labour, the government makes a profit of 38 cents.

*By Mr. Robinson:*

Q. Less the cost of production?—A. Less the cost of minting, which is small. The government buys the silver for 12 cents, and the cost of minting, amounts to a mere item. For the purpose of argument, I would give you a cent for the cost of minting the coin. Thirty-seven cents, we will say, is the profit of the government. Where does it get the right to do that? That comes through the expression of the authority of the government to create money by enacting laws. Money is nothing but a tool with which people buy. It must, in the nature of things, always be the creature of the law. Sharks' teeth, sea shells or any form

[Mr. G. G. McGeer]