least, the outlook was anything but hopeful; it was gloomy, because of the unwise conduct of the banks. Still, I frankly confess that I think they did some good by curtailing the loans which were going into real estate and other unproductive lines. The trade of the country was paralized because the money of the country was not available. It was not for that purpose that we gave the banks power to carry on their operations. They are expected, in duty bound, to serve the people, just as a railway corporation, a telegraph company, a tlephone company or any other of the great utilities of life that we give powers to, are expected to serve the people. They invite and receive capital and then afterwards they loan it out. They are to provide the circulating medium called money and make it available for the needs of the people. Many years ago I had occasion to say something in regard to the banks. I got a rather amusing retort from the hon. Minister of Finance (Mr. Fielding). I said that if we gave a corporation the right to represent one of the utilities of life they should, in the highest sense of the word, do so. If you go to a railway it has to carry your freight or it has to carry yourself. If you go to a telephone company it is obliged to send your message and not to discriminate in favour of one or against the other. All these utilities of life are comparatively on the same line; but if you go to a bank, unless you can give it gilt-edged security, you can do no business with that bank. No utility is a utility that does not serve the great bulk of the people; and if the banks only serve a small percentage of the people, they are not fulfilling the functions for which we gave them their powers. We gave them these powers in order that they might serve the great bulk of the people. They say: We have no right to loan money to any one unless he can give us gilt-edged security. The hon. Minister of Finance said: I am afraid that the hon. member for East Grey, like myself, will always be a little hampered in his operations if he has not means enough behind him to get all the money he wants. I was going to say that it was a very wity retort, but I think, on it was a very witty retort, but I think, on deal in it. I was not speaking from personal experience, but I was speaking of what I know of the service given to the people of the country by one of the utilities to which we have given these powers so that it can serve the people. Whether I am right or whether I am wrong, I have always entertained the view that the banks, so long as we gave them the power to control the financial resources of our country, and not only the power to issue money, but the power to do with people as they like, the power to control the commercial operations of the country and the power to provide the circulating medium, should provide that circulating medium for the great bulk of the people. Why should they be willing to give it to the man who has $500,000 or $1,000,000 in stocks and bonds and refuse it to the farmer who has his hundred acres of land, which is probably worth $4,000, perhaps against which there is not a dollar in the world, and who has his stock and buildings? Yet he cannot go to the bank and borrow $25 to serve his needs, while this other man can get his $10,000 or $50,000 if he likes. A corporation to which we give the power to supply this circulating medium should supply it in some way or other so that it would be available for the needs of the great bulk of the people. Do the banks do so? Taking the people of Canada as a whole, the banks of the country do not serve over ten per cent of them, and in the rural districts they do not serve five per cent. I cited a case in this House only a few days ago which I may repeat here, so that it may be connected with the argument I am making; I spoke of a farmer of my acquaintance who owned 200 acres of land with a good brick house, fine barns and stables, large stock and everything else, who did not owe $200 in the world. He went to the bank and was refused a loan of $25 for two months without an endorser. Is that what the banks are for? In such a case a man has to go to the private banks which are not allowed even to call themselves banks, and pay 8 per cent, 10 per cent, or 12 per cent. But these private banks are of more use to him than the chartered banks because he gets the advance on his own note, which serves his purpose for the time being. He gets it for any reasonable period he likes and it is renewable at the end of that term if needed with out endorsation. The banks in acting in this way are not fiulfilling the purpose for which they were incorporated. Most people have not any large amount of stocks or other gilt-edged securities, but they are honest members of the community, who pay their debts and are as important factors in the life of the nation as the millionaire. They are doing the drudgery of life. If they save money they can get only 3 per cent from the banks, but if they wish to borrow money from the banks, they cannot get it unless they furnish security. The banks should in some way be available to these citizens in at least small amounts so long as they are honest, industrious, frugal and in the habit of paying their way. So long as the banks do not supply a circulating medium to the people of the country they are not fulfilling their purpose, and force many people to go to the private banks, or to usurious brokers or to the individuals loaning money as they do in all our large cities at usurious rates of interest, from 10 per cent to 60 per cent or even 100 per cent per annum.

We give the banks power to stamp notes and circulate them, putting out dollar for dollar for all their capital; but yet