

I am sure that cannot be a very weighty consideration. We were told also in the committee that if the facts of the case were given to the public they might cause such general unrest as would produce very disastrous effects upon our financial system. I submit that we ought not to be afraid of full light being thrown upon all questions; and as to rushing through legislation for fear there may be disastrous effects, the sooner we know what is wrong with the existing system and the sooner the evil conditions are exposed, the better for all concerned. We submit that the evidence brought forth in the committee has shown that the present Bank Act, which is virtually the bill now before us, fails to meet all the needs. There is no provision whatever for the establishment of small banks; there is no safeguard against mergers on an even vaster scale than they have taken place in the past; there is no provision for long-term loans; no provision for work and the capacity to work being regarded as the basis upon which public loans may be obtained. On that latter point I put some questions in the committee to one of the bank managers, Sir Frederick Williams-Taylor. I asked him:

Then what do you mean by collateral, what form has it to take?

He replied:

Well my early teaching tells me that there are three forms of wealth in this world. There is the wealth of silver and gold and precious stones, cattle, houses, and lands. Physical wealth. Then there is the wealth of credit, which is based to a large extent on the possession of the first form of wealth, but not entirely and not necessarily wholly on the possession of physical wealth, and then there is the wealth of labour.

Q. It was with regard to the third that I wanted to ask. Supposing I stand as a labourer, a man skilled in a certain trade, and I want to go to work. Would you regard that as in any sense security for my obtaining a loan?—A. No, that is not a basis for a banking loan, Mr. Woodsworth, because your ability to labour depends entirely on your ability to wield a spade or a pickaxe, or whatever it is you are going to labour at, and if an unkind fate, or if Providence should remove you from this sphere the day after you borrowed the money, the bank would have no security at all, because your labours would have ceased.

Q. And yet labour is the basis or one of the bases rather of credit, Sir Frederick?—A. So it is. In the hypothetical case you put, you could borrow money from your grocer, doubtless, if you have a job, and from your bootmaker if you want a pair of boots, and so on; but it is not a good basis for a banking credit a man's mere ability to labour, unbacked by any form of security of any kind. Am I clear?

Q. Yes sir. I had in view the case given to me by the Bureau of Labour the other day; of a thousand men waiting in my own city of Winnipeg, willing to work on farms, having farm experience and having families to look after, is there no way the bank would feel that their ability to work, taking the whole thousand of them, would form a basis on which money or credit could be given?—A. No, in no country in

the world that I am aware of could a workman borrow merely on his ability to labour. Borrow from a bank.

Now, in view of the actual situation that we have about us, it is very clear that the institutions to which we grant a monopoly of the credit facilities of the country ought to make provision for some of these outstanding needs. I would charge that essentially this is class legislation, it is legislation in the interests of a comparatively small group in the community. As one studied this act during the weeks we have been sitting in the Banking and Commerce committee I think that a good many of us have felt that from the banker's standpoint it was a case of "heads I win, tails you lose." Further than that, it is not based, I take it, on solid economic foundations. We were assured by the bankers themselves again and again that they were not economists. We were told by the few economists that appeared before the committee that many of the principles enunciated were not in accordance with the established conclusions that are generally held in the world of economics to-day. It would seem that until we have further opportunity of studying this question and of bringing our banking arrangements into harmony with well known economic laws we should not pass this legislation. I notice in a recent number of the Montreal Standard of June 9th an editorial from which I quote this paragraph:

It looks as if Liberals and Conservatives could not do better than bury the hatchet for the nonce, get together on a non-partisan measure—as the Bank Act is—and press it to a vote. What the Progressives think about it is comparatively unimportant, but it is important that this land of Canada should have a sound banking system.

Well, it may be unimportant what the Progressives or any other section of this House thinks about the Bank Act, but I submit that we are sent here, whether we are Progressives or not, in order to try to present the views of the people and to check up this legislation by what the people need and what the people think they need,—and there are a great many outside the circle of the bankers who are quite sure that we need a more extensive modification; indeed, I think that the Minister of Finance must confess that the discussions which have already taken place in the editorial columns of our papers would warrant us in urging that more serious consideration be given to the question.

We have been told that the amendments which have been proposed are altogether too radical in character. One writer in ridiculing some of the amendments brought forth