

ten years and you must not lay hands upon the vested rights we have under them without making adequate compensation if we feel we are adversely affected. It is our intention to deal with this matter in the light of the knowledge and information to be gained from the conference which is to meet in London. I suggest to this house that if we did otherwise we would be regarded as being derelict to our duty and open to criticism.

Realizing the acuteness of the situation which prevails throughout the world there is only one thing which can be said about this government with respect to its monetary policy, and that is this: We will stand for sound money. Let there be no misapprehension about that. If we can help it we do not propose to find ourselves in the position in which our friends in Australia found themselves whereby their five per cent bonds were selling on the New York market at practically half of par. When I read some of the speeches which have been uttered, I wonder what would happen in this country if our national obligations and securities fell to fifty on the New York market. I wonder if hon. gentlemen ever sit down and quietly and calmly analyze conditions before they talk in the terms in which they do?

Mr. POULIOT: Then there would be no truck or trade with the Yankees.

Mr. BENNETT: Without going into greater detail, I may say that that is one of the reasons why we have taken the action we have with respect to bank charters. I should like to remind the house that it must be within the knowledge of the right hon. gentleman opposite that several times in the past bank charters have been renewed for a year only. When was the last revision? After the war they were extended because the chaotic conditions had not yet righted themselves and in the light of the additional knowledge obtained and secured by reason of what was going on in the world at the time it was believed that our domestic problems would be best dealt with by such an extension. The present Bank Act was not passed when the previous act had reached the end of its ten year period. My memory does not serve me at the moment but I think two, if not three extensions were granted before the final revision was made. There is no suggestion on the part of this government that this house should in any sense limit its inquiry into or its discussion of the whole theory of banking and credit. There is no matter in which this government is more vitally interested or has

greater concern. If in the exigencies of place and power we have been compelled, not to go forth and talk by the wayside about conditions we know do not exist but rather to do things to maintain the integrity of our financial structure in order that this new country would not be set back half a century by reason of the failure of our credit abroad, we have done so.

Some one has suggested that because we have adopted this course we are dependent upon the United States. I can say only this: Railway and other contracts were made in New York by the government of the right hon. gentleman and these with their interest are payable in the terms of the contract, in gold. We cannot pay them with inflated pieces of paper, we cannot pay them with the printing presses. They are payable in terms of gold, and gold or its equivalent must be found or we default. There have been anxious minutes—I say this deliberately—on the part of this government since Great Britain went off the gold basis, and in stating this I state but a solemn fact. There has been no matter of greater concern to this administration than the responsibility for the maintenance of the integrity of our financial structure and the credit of the dominion as a whole. The keenest observers, both in the United States and abroad, have written to us to say that what we have been able to accomplish challenges their admiration. Our banks have maintained their integrity, our depositors have never found their moneys unsafe or their cheques met with “closed” or “in the hands of the receivers.” In the great republic to the south four thousand banks have failed with losses to depositors amounting to over \$1,500,000,000. This result in Canada has not been effected by accident, it has been effected through the most tireless efforts both day and night on the part of the administration to see that that precious thing called public credit, upon which the integrity of this country has depended for half a century, should be maintained and that no cheap nostrums in the form of quack remedies supplied by printing presses should take the place of a proper discharge of our contractual obligations.

I do not know that I can say more than that we realize, as every government in this country must have realized, that in the ultimate analysis the words at the close of the speech from the throne are true. Whatever the right hon. leader of the opposition may say, however he may cavil, however he may lament the position in which this country finds itself, we say that the unity, fortitude and capacity of the Canadian people, without