

As we said the other day, he has the power of veto with respect to any transaction affecting the welfare of the institution.

I shall not further occupy the time of the house. I am not going in any sense to take up the time in these closing days of a session of parliament to discuss this matter further. The government has given the measure its best consideration and attention, and has looked into every phase of the central bank problem. We believe we are placing on the statute books a central bank bill which is as good as if not better than any such legislation in any other country of the world. It is not only my judgment that that is so, but that is the judgment of others as well. We have ensured that there shall be no political patronage, and that the bank is not liable to become a medium for political patronage. I am not now charging either one party or another party, but I am simply dealing with the frailties of human nature, the pressure which cannot be resisted, which never has been resisted, and which never will be resisted, namely to yield, for purposes all too apparent, to the glamour of their supporters or those who see in this particular course, something which would be of advantage to them.

Just think for a moment of what transpired in this country from 1922 until 1930. It happened that in those years hon. gentlemen opposite were in power—but that is not the point I am making. What I am about to describe was not as a result of their being in power. Look at the combinations of capital in this country; look at the mergers, every one of which has brought disaster to the country and loss to the investor. Why? Because you had a condition prevailing in which there was no credit control, none whatever. Everyone knows that. There was no credit control at all. Look at the borrowings under the Finance Act for the purpose of clearing up transactions at the end of the month. Look at what transpired in this country and the ruin that was brought on people who bought stocks in these amalgamated enterprises between 1922 and 1930. I am not blaming the government of the day for it. But I can say they saw it being done and did not stop it. And what effective control did the banks exercise?

But here we have the machinery at least whereby a sound governor, with proven experience in matters of finance, is appointed for the purpose of supervising the administration of the bank. What is more, the hon. gentleman said that he did not know about the experience of the world being of value.

[Mr. Bennett.]

He talked about the crazy countries of Europe. Well, the Bank of France is not crazy. Those who know the gentleman, Mr. de Retzke, who has had control of the economic policies of that bank during the last few years, know that he is not crazy, and there are those who would not suggest that those responsible for the policies of the Bank of England were crazy, and they are part of Europe. Both those banks are privately owned but government controlled banks, and there has never been an occasion when the Bank of France or the Bank of England and the government have failed by cooperation to work out a common plan. It is true it cost \$100,000,000 of the taxpayers' money in France to assist the Bank of France in connection with the transactions that took place after England went off the gold standard, but that is neither here nor there in connection with the general principle.

I can only submit as the last word, because the matter has been covered by the Minister of Finance and by others, and by discussions in the committee and discussions in the house, that we have here a measure which we submit to this country with pride. It is a measure which we believe will meet the very purpose described in the preamble. This institution will at least be free from that political control that has marred the efficiency of many publicly created bodies in Canada and elsewhere, and the difficulties that have been experienced in connection with publicly owned enterprises, and I could name them without number, here at least will be subjected to control.

One great thing we can say, that this institution with a body of shareholders, with a privately created directorate, will be controlled through government to an extent that no other privately owned central bank is controlled either in France or Great Britain or elsewhere. We confidently believe that freed from political control, freed from the evils of patronage and with the merit determined by experience of those who are engaged to manage the bank, it will function as an institution that will discharge the obligations for which it was created and thereby bring improved conditions to the Canadian people.

If I believed that there was any method by which you could create this bank and free it from the claims of the five factors that I mentioned the other day—politics, what is its politics?—race, what is its racial origin?—religion, what is its religion?—occupation? and where does it live?—are these to be the factors that govern and determine the fortunes of the central bank?