

Some of us think we have not made much use of that gift. At any rate, we are now paying through the nose for it. I know my limitations, and some of these questions are remote from me, but I am informed that we shall absolutely lose control over our financial affairs if this Central Bank is established; so I say we are paying dearly for what we received under the Statute of Westminster, whereas what Great Britain gave us cost her nothing.

This is an age of machinery, of mergers and of one-man control. Mr. Montagu Norman is a great showman. Unlike Bernard Shaw, he shuns publicity. Bernard Shaw is very clever, but Mr. Montagu Norman is a genius. Shaw may, by shocking people, lose the sale of a book or two, but Mr. Norman loses millions of pounds in international finance. The French actually forced England off the gold standard. I suppose Mr. Norman will not mind what I say about him. Perhaps he will never hear about my remarks, but if he does I shall be glad. He refuses to come to Canada, and if perchance he takes a Canadian steamship which lands him in Quebec there is a motor car at the dock to rush him by the shortest route to the United States. Canadian bankers have tried—I know whereof I speak—to hold a conference with him, but he says: "You have ten banks. I have no time to talk to ten banks." They invite him to dinner at the Mount Royal Club and tell him all the principal Canadian bankers will be there, but he says: "No. Get a Central Bank." Why is he so keen about having a Central Bank in Canada? Although he shuns publicity, whenever he travels all the camera men are tipped off to take a good picture of him, with his slouch hat, and showing even the sex appeal—the new wife he has recently taken.

Canada has been cajoled into establishing a Central Bank. One thing I hope is that we shall steer clear of the Bank of England. To prevent any error I have written out a few lines, which I will now read. Montagu Norman and Stanley Baldwin were sent to the United States by Mr. Bonar Law, the then Prime Minister of Great Britain, to see what terms they could make for the settlement of the British war indebtedness. Their instructions were to come back and report to Mr. Law what the Americans wanted, but in place of that they took it upon themselves—I say "themselves," but the financial adviser must have been the Governor of the Bank of England—to settle with the United States Government upon the onerous terms that it is now found impossible to fulfil. On landing at Southampton Mr. Norman told the press what they had done. The British Gov-

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ernment was thereby practically bound to carry out their absurd settlement. I know this fact to be absolutely correct. They had instructions not to settle, but simply to see what the Americans wanted and then come back and report. This was stated in the British House of Commons by Mr. Bonar Law's own son. I was given this information from a very reliable source, but as I never take my facts from any one person, I sought some proof. It took me some time to find exactly what I wanted, which was at page 119 of Volume 279 of the English Hansard of 1932-33. On the 13th of June, 1933, Mr. Richard Law, after telling how his father deprecated this settlement, said:

I remember his saying at that time too, when he had had time to think it over, that he would sooner have broken up his own Government, new and fresh as it was at that time—it was only a few months old—and retired permanently from public life than accept the settlement which he did accept. I do not think he would have accepted it, if it had not been for the fact that he was at the time a very sick man.

Now, to conclude. This Government is powerless. It thinks that as a matter of political expediency and in order to outsmart the Liberals and the C.C.F. it must establish some sort of Central Bank. There is only one thing left to be done, and that is for you Canadians to get busy and see to it that a purely Canadian institution is launched and securely moored, to ensure against its being drawn into the tow of the Bank of England or the Federal Reserve Bank, on the pretext of intra-Imperial or international collaboration, or of controlling exchange. Strive for a simple structure, restricted to the two functions which a Central Bank will be able to perform in this debtor country—a country dependent upon prices for primary products as fixed in world markets. Your wheat pool left the taxpayer holding the bag; your railway pool is a worse mess than any dare admit; and now you are doomed to be landed with a bank pool, and possibly a foreign exchange pool.

But the situation is not hopeless. Better to be an upstanding maple sapling than a parasitic ivy clinging to an oak. Canada can still be daughter in her mother's house, yet mistress in her own. It is unthinkable that she would not continue to co-operate wholeheartedly in family matters, while insisting upon running her domestic affairs in her own way, in the hope of becoming in time sufficiently independent and self-respecting to make regular voluntary contributions towards the service of keeping up the old home.

Happy thought! The former Norman period in England started in 1066 and came to an