

Mr. PERLEY: I do not think it is possible.

The CHAIRMAN: May I suggest that we sit this afternoon?

Mr. PERLEY: I was going to suggest that as there is no sitting of the house this evening, we might adjourn until 8 o'clock this evening instead of sitting this afternoon.

Mr. TUCKER: I suggest we adjourn until 4 o'clock this afternoon.

The CHAIRMAN: 4 o'clock. All right, Mr. Slaght.

Mr. PERLEY: May I interject that there are two or three men in this committee who expect to speak this afternoon.

Mr. KINLEY: There are lots left.

Mr. PERLEY: I do not see how we can be in two places at once. As there is no sitting of the house tonight, I think that 8 o'clock would be a good time, and it would not hurt any of us.

The CHAIRMAN: Are you speaking this afternoon? What is the pleasure of the committee?

Some Hon. MEMBERS: 4 o'clock.

Mr. BLACKMORE: Can Mr. Bickerton be here tomorrow?

The CHAIRMAN: We will try to sit this afternoon if we can. They have to get back as soon as possible. All those in favour of sitting at 4 o'clock please raise their hands? Those in favour of 8 o'clock? I declare that those in favour of 4 o'clock have it. All right, Mr. Slaght.

By Mr. Slaght:

Q. I was interested in your historical statement about men with money coming forward and desiring bank charters and receiving bank charters. I take it that you agree with me that under the British North America Act the power over public debt, currency, banking, the incorporation of banks and issue of paper money is all vested in the Dominion of Canada under our constitution. I am reading to you from the exact language of the Act. My suggestion to the committee is, or will be when we come to section 59, that that being a power vested by our constitution in the federal government, we have given away that power to the private banks, the right to create new money. My suggestion is that we should retake from the private banks, back into the power of the people of Canada, the right to create all new money that is to be created in this country. I gather from following you closely that at least you would go that far with me, and that your organization would favour the government, and the government alone, being capable of creating new money that the people might need. Am I right in that?—A. Just what do you mean by money? Do you include credit in that?

Q. I do, and as you have not been here I will give you in two or three sentences what the evidence discloses. The evidence discloses that we allow the banks under their present charter powers to create new money themselves. I am reading from the evidence of Mr. Graham Towers, page 161.

Q. You told us yesterday that the banks create money. When the finance minister takes a bond for \$1,000,000 to a chartered bank and they receive the bond and credit him with a million dollars you told us that in doing so they were creating money; is that correct?—A. That is true. The moment it is credited, however, it becomes a loan from the depositors of the bank.

From the question you ask me I see that you thoroughly appreciate that perhaps 90 or 95 per cent of what we call money nowadays, perhaps better