

How has the Prime Minister dealt with that question? Last session we had a bill before this house, and by the way he tells the country now that this is part of the reform program, part of the program that has to do with reform by means of interference by the state in business. How has he dealt with that matter? Some three years ago the Liberal party put forward in specific terms as one of its policies the establishment of a national central bank as an agency for the control of credit and currency considered in terms of public need. We proposed that the bank should be an agency of control in the interests of the country's social as well as industrial and financial needs; in other words that credit was a public matter, not of interest to bankers only but of direct concern to the average citizens. To that end we put forward repeatedly the necessity of a central bank properly constituted for that purpose. A properly constituted central bank for the purpose of controlling currency and credit to meet social needs necessitated in our opinion that to some extent at least—just what extent might remain a matter of difference of opinion—the government representing and responsible to parliament and the members of parliament should have some control over the central bank; that with respect to currency, banking and those matters that have to do with credit, the voice of the people, through their representatives in parliament, should be heard with respect to such policies as might be thought necessary, should be felt and should be capable of being made effective. How did the Prime Minister show his faith in government intervention then? He brought before this house a bill establishing a central bank. On the second reading his Minister of Finance (Mr. Rhodes) said that the question whether it should be publicly or privately owned was a perfectly open question which might be discussed in committee, and that the views of the committee and of hon. members composing it would not be prejudiced in any way by hon. members on the second reading voting simply for or against a central bank as the only principle involved. It was stated at that time that the government would allow on this question of public or private control the freest discussion in committee itself. Well, the bill went to the committee, and when it got there what was discovered? It was discovered that members of the committee belonging to the party opposite were opposed to any bank that would be other than privately owned and controlled, and that they stood as a unit for a privately owned and controlled bank. What that be-

cause they believed in state intervention and interference in business, or was it because they entirely and absolutely disagreed with any such policy call it reform or whatever you like, and did not approve of it? When the measure came back to this house it was found that the Liberal members of that committee had made a very strenuous fight to secure control on the part of the government and parliament over that central bank. They were prepared to consider any steps that would admit of any degree of control, but the government was adamant in the matter. During the discussion on the third reading of the bill I spoke with great emphasis as to the importance of allowing the government to have some control over this central bank. I pleaded with the Prime Minister to at least allow one or two directors to be named by the government, but I pleaded in vain. This bank was to be a private corporation and was to be removed entirely from all government authority or control. That was the objective, and that is how the Prime Minister then viewed reform of the capitalist system—at all costs to keep free of intervention the keystone in the arch of the capitalist system.

What was the position before this central bank came into being? The control of the currency of the country was in the hands of this parliament. Control of social credit was in the hands of parliament. The securities of the country, the gold of the country, were in the treasury of the country. Where are they to-day? They have all been taken out of the public treasury and put into the vaults of this private corporation. Are all the gold and securities of the country to-day subject to the control of parliament or are they in the vaults of this privately owned bank removed altogether from government control? Who has charge of the issue of the currency to-day; who has control of the currency? That responsibility has been handed over by this government to the central bank. Yet the Prime Minister comes along and talks about some scheme of planned economy which will help to reform the capitalist system. I tell him no program of planned economy can succeed if it is not based upon the intelligent public control of national currency and credit. I say as long as we have a government standing solidly behind the principle of a privately owned and controlled institution such as the central bank is, a private corporation controlling the currency and credit of the country, we can have no faith whatever in any profession made by the government when it states that government intervention in its mind is an all important objective. So much for what