

pretty nicely; but for the last three or four years I can assure you that they have been stepping on the common people a little too hard. Further than that, I did not come up here to tell about somebody else's business, but let me tell you a little about my own. They used to be willing to loan me \$6,000 to \$8,000 to carry on my little business; but they have shut down on me until they have got me so now that a few days ago they owed me a little instead of my owing them any at all. That puts me in a pretty difficult position, and it forces me to crowd my good customers more than necessary. That is what they did. Further than that, it injures the farmers who are worthy; it holds up the business of the country. It is lack of circulation of money that is causing the depression to my mind. It might not be altogether that that is causing all this depression, but that is a strong factor. I know in my own business that is what I find.

The CHAIRMAN: You think they ought to loosen up a little?

The WITNESS: I do. I think they ought to loosen up a whole lot.

The CHAIRMAN: Perhaps they will, after this publicity.

The WITNESS: After they begin to see the whole situation, and they have got a little of the medicine that they have been handing out, it might help.

Mr. MACMILLAN (*Saskatoon*): Are there any other outside witnesses on this aspect of the situation?

The CHAIRMAN: Well, there is a gentleman in this hall to-day who has travelled, he says, from Vancouver. He represents what is known as the Free Economy League of Canada. I have arranged for an interview with him at two o'clock this afternoon to ascertain just what his mission is, but I am not prepared to recommend him to the committee as yet. I think we had better proceed with the Bank Act.

Mr. MACMILLAN: I think Mr. Reed's expenses should also be paid.

Mr. DONNELLY: I should like to ask one or two questions.

By Mr. Donnelly:

Q. I understood you to say, Mr. Reed, that your credit with the bank a few years ago was from \$6,000 to \$8,000?—A. Yes.

Q. Are you able to get a line of credit up to that amount up to the present time?—A. No, sir.

Q. Do you find the same thing true with regard to all the farmers in the district?—A. Well, nearly all farmers are in that position. I might say further, that they are good and worthy farmers; they have their farms practically paid for, and they are in this position, in many cases they can hardly get a dollar's assistance from the bank where a few years ago they could get \$100, \$150, or \$200.

By Mr. Stanley:

Q. What is your business?—A. Flour and feed business. I have a farm as well. Perhaps I am tangled up with too much business, and that is why the banks won't trust me.

By Mr. Donnelly:

Q. What is the reason the banks ceased extending you that line of credit?—A. Well, I will tell you what it looks like to me. They had some wild cat scheme in their heads; they wanted to buy up some stock and make 50 per cent on their money instead of loaning it to farmers in small amounts and getting 7 per cent. Possibly I might be mistaken.

The CHAIRMAN: Have you any basis for that statement?

[Mr. James B. Reed]