

you appreciate that the taxpayers whose money would be lost year after year would be, for instance, the taxpayers of my district of Parry Sound, settlers and fishermen who are carrying their own load in the boat plus small business men in Canada; they would be paying their taxes year after year and financing the western farmer. That is what troubles me about your suggestion of a national institution which would continue to lend to one class or type, and a very worthy class, at the expense of the other taxpayers. I cannot see that philosophy.—A. There is no other way out.

*By Mr. McGeer:*

Q. You do not admit there is any part of western Canada that is going to go on losing money forever?—A. Not forever; I hope to God no.

Q. The hypothesis is ridiculous.—A. I hope that we will never go through a period like we went through in what is known as the hungry 30's. I would not like to see that.

Q. Or back to the hungry 40's.

*By Mr. Tucker:*

Q. The other way out is the one I suggested, to put farming on a proper and fair basis in the national economy. Is that not the answer?—A. Yes.

Q. That is the answer?—A. Yes, and it would be a national responsibility. In other words, the same thing applies if there is some havoc wrought somewhere and you have a bunch of people who are caught in it. The whole nation has to rise to that national calamity and has to provide the wherewithal to support those people and maintain them until circumstances have been rearranged to put them back where they can become productive again. There is not any question about that.

Q. Is it not a more straightforward and satisfactory policy to help a community and an industry as a whole than to say you are going to give loans that may never be repaid to certain individuals who go to a bank? That is what I think Mr. Slaght was getting at.—A. Well, I come back again to the point of saying that under certain circumstances of calamity there is no private enterprise that could take the responsibility, and I do not think that anyone should look to private enterprise to take the responsibility. That is enterprise which is owned and controlled by a few individuals. There is no one should take that responsibility.

Q. Suppose it were publicly-owned and controlled and handing out the nation's money? Would it not be fairer to put the whole industry on to a basis on which it can look after itself than to say the answer to this thing is to be ready to lend public money to various individuals who apply for credit at a loss? In other words, is not the onus on your whole economic set-up rather than upon the banking system, whether it is publicly-owned or whether it is privately-owned?—A. It does not matter which it is or what circumstances you have to meet. Here is a credit instrument that is used. It is something that we consider as a utility that should be there for the purpose of being used by all of the people. As such in good times and in bad times that credit instrument should function and continue to function regardless of what the circumstances are. Taking the law of averages you would naturally recoup yourselves in better conditions and better times. If you met adverse conditions you would have to face them. I mean the whole of Canada has got to face it if one section of the people of Canada through no fault of their own meets with adverse circumstances.

Q. You are suggesting, Mr. Bickerton, that the solution of our problems from 1930 to 1939 would have lain in a publicly-owned banking system, and I am suggesting to you, as Mr. Slaght did, that you would ask that banking system to make loans that might not be repaid due to adverse conditions, and that is not