

say. The hon. gentleman himself must be best able to answer that. Everything that he said this afternoon he has said at least three times before this session. In most cases this is the fourth time he has brought forward his arguments, and in one instance it is the fifth time to my knowledge that he has made the statement.

Mr. McINTOSH: Repetition makes for success.

Mr. BENNETT: It is suggested that repetition makes for success, but that is a theory that has been exploded long since.

Mr. McINTOSH: No. It is a psychological truth.

Mr. BENNETT: It was found to be so by those who met their fate at the end of a rope.

I do not propose, therefore, to traverse what has been said this afternoon, but I do desire to point to the second observation made by the hon. gentleman. He quoted from the Macmillan report in England, and the last quotation he commended to us was that the institution should be of unquestioned independence.

Mr. MACKENZIE (Vancouver): Unchallenged independence.

Mr. BENNETT: Who, listening to the speech this afternoon, would think that any Bank of Canada could be independent that was under the control of a government of which the hon. gentleman was a member? All you had to do was listen to the extreme statements that were expressed and then ask yourselves whether the Canadian people dare trust their central bank to such control. That is the answer, together with what has taken place in this house since this bill came back from the committee.

I have said that I commenced my study of this problem from the standpoint of believing that it would be desirable to have the bank publicly owned. When I studied the matter; when I observed what had been written with respect to other countries, notably in Kisch's book; when I realized and recognized what has transpired in this country with respect to political considerations; when I reviewed, as I did carefully, the appointments that have been made to the various commissions of this country; when I saw patronage in all activities with respect to our publicly owned institutions; when I saw the effect of such appointments, and when I saw the governmental intervention with respect to some matters of business that were dealt with by commissions in this coun-

[Mr. Bennett.]

try, I determined that if we were to preserve the unchallenged independence of this bank we must do something more than merely leave it to public ownership. Then, having decided that this was the correct thing to do, the next problem was to ensure governmental control. If one looks at the amendment that has been proposed one finds these words:

—with instructions that they have power so to amend it as to provide that the Bank of Canada shall be either (a) government owned and controlled; (b) government owned, or (c) government controlled.

I have pointed out to this house, as I did to the committee—and I will not take time to do so further—that in the very inception of this bank it comes into being with provisional directors. Then it must appoint a governor, a deputy governor and an assistant deputy governor. Those are to be selected by the governor in council, in order that governmental control may be ensured with respect to the management and administration of the bank. In order to promote political views certain objections were taken to this provision. They were purely political objections, narrowing and limiting the power to appoint beyond that which is usual in such cases. They would not be thought of otherwise; they were merely an endeavour to create prejudice and passion with respect to these appointments. Every man who has read the debates, every man who has read what transpired in this house knows that to be so.

Then you proceed to the next point. Having created your organization, and having your directors provisionally appointed, they are called upon to select from among their numbers directors who will be permanent, retiring in rotation—so many at the end of two years, so many at the end of five and again at the end of seven years, in order that the continuity of policy may be maintained, and that the bank may function free from interference and free from objection by those who endeavour to discharge through it their ideas of political patronage. That being done, the next question is: How shall the bank function? The bank begins to function by taking over the issue of money, by taking over the obligations under the Finance Act, for each note issue, and receives a bond on which interest is paid. Hon. gentlemen opposite know well that these bonds are merely bookkeeping entries by which three per cent is paid to the bank, and by the bank back to the government. That is so well understood that one wonders just what extreme views are in the minds of hon. members who in their statements overlook making any