ing the purposes for which the central bank should be established that the public at least ought to be warned of the real situation.

Sometimes hon. members in this corner of the house have been called wild-eyed visionaries. For that reason possibly I might be permitted to take a few minutes to bring to the attention of the house some of the measures which we have urged in the past. The hon. member for Macleod has mentioned several. I can recall very distinctly, when the Bank Act was being revised in 1923, moving in committee for the establishment of the position of inspector general of banks. That was turned down. It required the failure of the Home Bank before the government of that day would permit the appointment of an inspector general of banks. In 1923, while the act was under revision, I can recall very distinctly—and my recollection is borne out at page 4018 of Hansard—urging that some steps should be taken to curb the power of the banks. I pointed out the interlocking directorates which existed and how, by means of this, great power was in the hands of the bank directors, and that virtually in Canada we had a money monopoly.

Further, in 1925, I find this resolution standing in my name:

That, in the opinion of this house, it is not in the interests of the country at large that the privilege of issuing currency and controlling financial credit should be granted to private corporations.

To-day the leader of the opposition (Mr. Mackenzie King) has claimed that for a long time the Liberals have been in favour of a central bank. May I say that we did not receive any very great assistance from the government of that day when we put forward the proposal I have just mentioned. Hansard will amply indicate that. The hon. member for West Hamilton (Mr. Bell) scoffs at the suggestion that we proposed these things.

Mr. BELL (Hamilton): I did not scoff at anything. It must have been the smiling member for East Hamilton.

Mr. WOODSWORTH: Ten years of sunshine has done its work upon the copy of Hansard from which I am quoting. It is now badly faded, but it indicates that that far back we were trying to secure some changes. Further, in 1926 a similar resolution was brought in.

In 1928 I moved, in somewhat more positive form:

That in the opinion of this house the time has come for the establishment of a national system of banking.

While I recognized that that could not be brought about at one fell swoop, I did urge these points, which I summarized:

. . . that we need greater government control than we have at present because we have reached a stage of industrial and financial development when a few men not directly responsible to the people, control the money practically of the whole people of Canada.

Secondly, the banks still have in their own hands the valuable franchise of issuing currency. This should not be given to any privileged group. The issue of money is essentially a government function.

Thirdly, I went on to speak of the control of credit. It is necessary to have some central control in order that the weaker portions of the country and the weaker industries can be protected against those strong concerns which now are working in such close cooperation with the banks. Further, as undoubtedly, according to the authorities I have quoted, the amount of money in circulation, including the credit which was given, has a direct bearing on the cost of living. It is all important that this function too, should be controlled by officials who are responsible to the public, and not to irresponsible private corporations.

There is a fourth point which I have not had time to develop, but which I shall simply mention in closing, and that is that if some plan of this kind could be carried out it would assist materially in government financing.

I would urge to-day that the power of finance in Canada is almost supreme. I think I am not going too far to say that in practice it is greater than that of the government. In recent years some of us have been almost shocked when we learned that the army and the military clique in Japan had never been brought under the control of the parliament of that country. Well, I take it that in Canada the financial powers have never been brought under parliamentary control. Even as far back as the time of Mr. Gladstone I find that there was a dawning recognition of the tremendous power of the banks.

Reading from Morley's Life of Gladstone I find a statement from Mr. Gladstone:

From the time I took office as Chancellor of the Exchequer I began to learn that the state held, in the face of the bank and the city, an essentially false position as to finance. The hinge of the whole situation was this: The government itself was not to be a substantive power in matters of finance, but was to leave the money power supreme and unquestioned. In the conditions of that situation I was reluctant to acquiesce, and I began to fight against it by financial self-assertion from the first. . . . I was tenaciously opposed by the governor and the deputy governor of the bank, who had seats in parliament, and I had the city for an antagonist on almost every occasion.

I think the only difference between Mr. Gladstone and the ministers of finance we have had in this country in recent years is