

familiar with finance, to offer some remedy to meet the obvious conditions which prevail. But they did not. They absolutely failed, and I, for one, am not prepared to absolve them from responsibility in the matter. I am not prepared to say to them: The system under which you have been working is perfect, and the method under which you have carried it on is absolutely beyond reproach. I am not prepared to say to them: We will give you the power to carry on under the same act, in the same way, until you are able to show we can get relief in some other way. At the present time—and, of course, this was brought by way of objection to any discussion of this point in our committee—the subject of rural credits is being examined into, and is under discussion before another committee. That committee has not yet reported. Until that committee does report, and until we know what the suggested remedies to meet that existing condition may be, we do not feel—many of us in this corner of the House at least—that the present banks should be given a charter extending over ten years, enabling them to tie up and utilize practically all of the available capital in the country, all the savings of the people, some of which would have to be applied to any system of rural credits. We ask first to be told what the suggestions are and what the legislation may be to bring those suggestions into effect, and to what extent, if any, it will affect our present banking. These are reasons why I object to passing this clause at the present time and in its present shape.

There is another reason, a supplementary reason. When this act came up for discussion, we received, and the Minister of Finance no doubt received, communications from many public bodies in this country. We received communications from the legislature of Alberta, asking that the final revision of this act be postponed for one year, and that the present charters be extended for one year, and one year only. The reasons they gave were the reasons I have mentioned. They are confronted in that province with a serious situation as regards financing their agricultural conditions. Agriculture is the one great outstanding industry of that province, and not only is that industry of outstanding importance there, but we believe—and I do not wish to speak sectionally—that agriculture in those western provinces is, and must be of paramount importance, to the whole industrial life of the country. They are faced with the condition that they are being continually requested to establish provincial banks to provide some way of financial relief, some system under which agriculture can receive

[Mr. Speakman.]

its due quota of the money of the country, and they feel that they should not be tied up for a term of ten years until they have had time to study the points brought forward in the Banking committee. until they have had time to confer with the government and with the bankers to see whether they can jointly bring forward some change in the present Bank Act which will enable our banking system to adequately meet that condition. The government of Manitoba made a request on similar lines. They requested that the charters should be extended for one year only, in order that the provincial government might be able to weigh the evidence which has been adduced before the committee and have an opportunity, in consultation with their financial experts, with the bankers, with the Finance department and with the Dominion government, to suggest such amendments as they might deem necessary. The Canadian Council of Agriculture, representing agriculture as a whole throughout the Dominion, made the same request from the same point of view exactly, recognizing the inadequacy of the present system to meet the needs of the farmer, recognizing the paramount necessity of prosperity among the farmers in its relation to the national welfare, and recognizing that in the short space of time at their disposal they could not possibly make the suggestions which they thought might be made to the bankers and to the Dominion government. Therefore, they asked that the revision of the Bank Act be postponed for one year to give them an opportunity to take the necessary action in the meantime. The same request has come from our labour organizations. Of course, they are not treating the subject from exactly the same point of view. They point out that the banks have failed to some extent in their functions, that they are not financing the exchange of goods in a manner satisfactory to the people.

I am simply speaking for the people I know. We have no objections to a sound banking system being put into effect, a system that stands foursquare and sound from every point of view—from the point of view of industry, of commerce, of agriculture. We believe in a banking system which is sane, but which also, as I say, is equitable and will function satisfactorily for the benefit of all people requiring banking assistance. This, I think, the present banking system was proved before the committee not to be doing today.

There are other points of view which I might take into consideration and discuss, and one of the most important to my mind is this. It is a fact well known to members of parlia-