

Navy; but I cannot see that there is any good whatever to be gained either for the empire or for Canada by undertaking now to spend a large sum of money under the influence of something like panic. The point where Canada is weak and is not, in my opinion, doing her duty as Australia is doing her duty, is that our militia force is altogether too small for a country of this vast extent and very considerable population. If England, for instance, had trouble with Japan within six months, there is not anything to hinder Japan from sending a fleet across the Pacific. England cannot maintain a fleet in the Pacific large enough to cope with the fleet of Japan, and even if you had a Canadian unit of a fleet there is nothing to hinder Japan sending a force of fifteen or twenty thousand men over and seizing Victoria and Vancouver, and practically as much of British Columbia as they wish. A grave duty of Canada is to have our militia force in such a condition that a result of that kind could not take place.

I do not propose to say anything with respect to the Highways Bill. That has been discussed by various hon. gentlemen at reasonable length, but I just wish to correct a misapprehension under which the right hon. leader of the government in another place seems to have laboured. The right hon. gentleman in reply to the leader of the opposition the other day said that the present right hon. leader of the opposition had prepared the amendments to that Highways Bill which were moved in the Senate. The right hon. leader of the government is completely and utterly mistaken. Those amendments were prepared by a committee of opposition members of this House and without consultation, as far as I am aware, with the right hon. leader of the opposition. It is true that one of the amendments which we prepared followed somewhat the lines of the amendment which had been moved in the other House. It was not identical; it followed the same general lines, but inasmuch as the mischief which was aimed at was the same one, naturally the two amendments would follow the same general lines; but the statement that the leader of the opposition in another

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place drew or dictated the amendments that were moved in this House is altogether without foundation. I think the Senate owes it to itself to state that.

The hon. gentleman from Bedford (Hon. Mr. Pope) made some very interesting observations on the paragraph of the speech which deals with the proposed renewal of the bank charters. The hon. gentleman from West Toronto (Hon. Mr. Campbell) also dealt with the matter to-day and my junior colleague also spoke of it; so I do not propose to say anything on the particular feature that these hon. gentlemen dealt with. But there is one point that apparently all agree upon, and that is that in the measure to amend the Banking Act the government should make satisfactory provision for independent inspection. I think I understood the hon. gentleman from West Toronto to say that he thought there should be government inspection. I do not believe in that. The kind of inspection that is required is inspection by skilled accountants who are not under the control of the government or the banks. Both the hon. gentleman from Bedford and the hon. gentleman from West Toronto spoke with regret of the absorption of numerous banks in Canada by larger banks. I do not know whether the leader of the government agrees with me in this or not, but it seems to me that in the measure which the government proposes to introduce there should be some provision which would tend to prevent that absorption, because if the process goes on much longer there will really be only three or four banks in the country.

Hon. Sir GEORGE ROSS (Middlesex)—There can be no absorption without an order in council approving it.

Hon. Mr. WATSON—There should be legislation.

Hon. Mr. POWER—There should be legislation—that is just the point. The practice is when the necessary conditions are fulfilled by the banks to allow them to amalgamate, but I think that should not be. That is really one of the worst kinds of monopoly. We have stringent legislation to prevent trade combinations, and bank combinations should be prevented too.