

Mr. SLAGHT: It is rather inconvenient to travel there now.

The WITNESS: I have been very interested. I have read and intend to reread some of the things that took place there, and how they coped with their situation in the period that we call the depression period here. They were faced with quite a problem. They were not faced with the same problem as we were faced with. In fact, all nations were faced with problems. Italy was faced with the problem at first, and she stuck a black shirt on the young men who were a dangerous element, and promised that they would give them fighting some day. Then in Germany there was a fellow across there who stuck a brown shirt on them and told them he would give them fighting. But Sweden, which could not continue the outlet that they had always had, the outlet to the United States and Canada of that young rising population, decided to put a work shirt on them and take them into what they called woodland camps and teach them crafts and trades—electricity, woodwork and so on and so forth. Then they began to straighten out their financial economy to enable them to do that. They had a distinct cleavage between the money medium that they were using as between what they required in order to maintain their domestic economy and what was required for their international trade. I would say that it would be beneficial to any of you men to get the books that relate to that; I am sure that it is quite interesting reading and you could do much worse things than to send Mr. McGeer and somebody else across there.

Mr. BLACKMORE: What interest rate did they provide?

The WITNESS: Maybe Mr. Blackmore would go with them.

*By Mr. Blackmore:*

Q. What interest rate did they provide?—A. I think their interest rates were somewhat along the line of 3 or 3½ per cent.

*By Mr. Tucker:*

Q. We were told that the cost of operating banks in the United States was just about the same as in Canada, and if our government sees to it that the banks are prevented from making undue profits as they can by their control through the Bank of Canada in issuing more currency and driving interest rates down, then you will admit it is quite possible under our present system to provide interest as cheaply as you could under a system which was publicly owned, would you not, Mr. Bickerton, for all practical purposes?—A. I do not know what you are getting at.

Q. The point is your present banking system is trying to earn a return on its investment in the system of less than \$500,000,000. It is actually administering assets far in excess of that, and the small extra amount necessary to earn a reasonable profit, the same as is earned in other industries, the small extra cost of providing that extra profit would make very little difference in the cost of extending credit? You would grant that?—A. Yes, I think that is a fair statement.

Q. And there would also be this possibility, that your private system might work harder at the job of making a success of it than if it were under public ownership? In other words, they might actually even charge no more for their credit, and by economies that would not be exercised by a government-owned system they might actually save the equivalent of their profit? That is conceivable?—A. That is supposing it is not possible to get as good service out of public administration as out of private administration. I do not know. You know, I am going to give the government a little credit for having done a pretty fair job during the last four years.