

R. B. HANSON, M.P., PRESENTS HIS VIEWS TO PARLIAMENT ON THE BANK OF CANADA BILL

While the bill to incorporate the Bank of Canada was before Parliament this week R. B. Hanson, M. P., chairman of the committee on banking and commerce spoke as follows:

Mr. Hanson (York-Sunbury): I had not intended to take any part in this discussion, but in view of what has been said I think a few remarks would not be out of place, giving my own views and the views of those with whom I am associated. First I should like to say that every view that has been presented here this afternoon was presented with force and power by gentlemen who I have no doubt honestly held the views they expressed. I give them credit for honest and honourable intentions, and they are quite justified in expressing their views. I must confess that I am rather surprised to find the hon. member for Quebec east (Mr. Lapointe) in the role of a supporter of public ownership. I have never heard that heretofore he had been included in that category. But there is always time for repentance. Personally, I am not a proponent of public ownership; I am not doing any violence to my conscience when I vote for private ownership in the sense in which it is restricted and limited by this bill. But certain statements have been made here today which I do not think are quite born out by the facts. In the first place the hon. member for Quebec East said that the board of directors of this bank would be elected by 2,000 shareholders. That would be true if only 2,000 people should become shareholders of the bank, which would be possible having regard to the limitations imposed by the bill. But it is equally possible that there will be 100,000 shareholders, having regard to the announced policy of the government that the shares shall be distributed as widely as possible. So I suggest to my hon. friend that while his mathematics may be technically correct they are not practically correct.

Public ownership of any great and important utility is a great idea. But I have never seen a country yet where it worked out one hundred per cent not even in the great province of Ontario.

Mr. Euler: You cannot expect one hundred percent.

Private Ownership

Mr. Hanson (York-Sunbury): Certainly it has not worked out in connection with the railways of this country. For the reasons which have been allegedly already I am going to support the principle of private ownership of this bank, as I think the committee would be well advised to do.

It has been stated here today that pressure would be brought to bear upon the government of the day in regard to creeds and sects throughout the country. I can show you a file of correspondence in my office coming from various parts of the country demanding that a certain number of the directors of this bank shall be chosen from one race in this country. There are many resolutions couched in exactly the same language, and showing the propaganda that is going on. That is one evidence. I will not mention the race; hon. gentlemen can draw their own conclusions. This indicates that the moment anything of this sort is set up there is a reaction of this kind in the minds of some people. Does that tend to strengthen the position of the institution? I humbly submit that it does not. Then there is the question of sectionalism. Did we ever set up a board of directors for the national railways when sectionalism was not a paramount consideration? I put that to hon. gentleman opposite. They know it and we know it, and that does not make for the best co-operation possible. I think it is one of the great weaknesses of Canada that we are governed by sectionalism. We are bound to consider the different sections of the country; otherwise we would not have a maritime position on one question, a central Canada position on another. This is an embarrassment and a detriment to the proper government of the country. We must admit that the principle of governing the country according to sectionalism is wrong, and surely the same principle should apply to the bank.

Mr. Euler: My hon. friend referred to the board of directors of the Canadian National Railways. Is he contending now that the present board was appointed with the idea of giving expression to the wishes of these various factions?

Mr. Hanson (York-Sunbury): No, I do not say that, but I say that the board set up in 1922 or 1923, which went out of office in 1930 and the board set up in lieu thereof in 1930 or 1931 gave expression to this sectionalism in Canada, and it was very hard to operate the board because of the diverse interests that were represented.

Mr. Euler: But that does not apply to the present board?

Mr. Hanson (York-Sunbury): No, it does not, because, as I understand it, that principle was discarded in the appointment of the trustees, of whom there are only three under the statute.

England's Example

Surely the experience of other countries is of value; surely it is not a crime to follow the example of England, although in the minds of some members of this house it may be so considered. They have had a privately owned central bank, the Bank of England, ever since they have had a central bank. It has performed exactly the functions that are intended to be performed by this bank. More than that, in the great majority of cases where central banks have been set up in other countries, invariably and with very minor and few exceptions those banks have been privately owned. Why is that? Hon. gentlemen in this house should pause and query why that has been the case. In Canada we have reasons to know why there might be interference with a bank if it were publicly owned. I can visualize what might happen, and it is to guard against that sort of thing that this institution has been set up in this way.

The Gold Question

I should like to pay some attention to the remarks of the hon. member for Sherbrooke (Mr. Howard) with respect to the gold question. Very incorrectly, in my judgment, he said there would be confiscation of the gold of the private banks. If I understand the word in its proper meaning, confiscation is taking without compensation. There is no such intention or underlying principle in this bill. The gold of the chartered banks is to be taken over, save and except that portion of it required for the external obligations of the banks, and due compensation is to be made. I did not understand that the banks as such objected to the taking over of their gold, because they admitted that gold was no longer necessary as part of their reserves. What they did seek, however, in the brief filed for them, was to be allowed a great unearned increment which the possession and ownership of the gold at the present moment brings about. They thought this ought to accrue to them. This legislation does not recognize that principle. It recognizes the principle of full compensation to the banks at the statutory rate, and the profit goes to the state. What other principle could be followed by this house and by the country? I challenge hon. members opposite to bring in an amendment which would have the effect of paying the chartered banks of this country the full premium on gold today. I am sure they would not do so, so there is nothing in the argument that this will bring about confiscation. There is no conversion due regard to compensation. Any government has that right; it has been exercised by this government ever since we set up legislation having that effect.

Mr. Mackenzie, (Vancouver): Is it not a fact that \$70,000,000 of Finance Act gold is being transferred to a private corporation?

Unearned Increment

Mr. Hanson (York-Sunbury): The gold will be in the custody of the central bank and the private institutions will not reap the benefit of the unearned increment is the thing that bothered the chartered banks, who wanted to be paid at the rate of \$35 per ounce. I wonder what government, or what party, would dare pay the chartered banks of this country this

unearned increment on a commodity in which they were not dealers.

Mr. Mackenzie (Vancouver): No one said so.

Mr. Hanson (York-Sunbury): That was the only point in the remarks of the hon. member for Sherbrooke, the taking of the gold because gold is worth so much more than the statutory price.

Some hon. members: He never said that.

Mr. Hanson (York-Sunbury): I do not think the hon. member for Sherbrooke had anything else in the back of his mind when he used the term "confiscation." If he did not mean that there was no point in bringing up the matter at all. Either he meant the confiscation of a commodity on which there was a large premium or his argument meant nothing at all. I suggest to the committee and to the country that this matter was given the very fullest and frankest consideration by the banking committee over a long period of time, and that this provision should have the support of the people of Canada.

ISTANBUL—Sadberk Hanum, first woman to be executed in Republican Turkey, was hanged publicly at dawn today at Kiklarelle for killing her husband with a hatchet.

CITY OF FREDERICTON

Notice to Water Consumers

Water consumers will please Take Notice that rates for the term ending April 30th, 1934, must be paid on or before JUNE 30th, 1934, otherwise their water supply may be turned off without further notice.

FRED I. HAVILAND,
City Treasurer.

City Hall,
June 18th, 1934.



Sealed Tenders addressed to the undersigned and endorsed "Tender for Public Building, Moncton, N.B." will be received until 12 o'clock noon (daylight saving) Thursday, July 26, 1934, for the construction of a Public Building at Moncton, N. B.

Plans and specification can be seen and forms of tender obtained at the offices of the Chief Architect, Department of Public Works, Ottawa, the Caretaker, Public Building, Fredericton, N. B. the Resident Architect, old Post Office Building, Saint John, N.B. and the Caretaker, Post Office Building, Moncton, N. B.

Tenders will not be considered unless made on the forms supplied by the Department and in accordance with the conditions set forth therein.

Each Tender must be accompanied by a certified cheque on a chartered bank in Canada, payable to the order of the Honourable the Minister of Public Works, equal to 10 per cent. of the amount of tender, or Bearer Bonds of the Dominion of Canada or of the Canadian National Railway Company and its constituent companies, unconditionally guaranteed as to principal and interest by the Dominion of Canada, or the aforementioned bonds and a certified cheque if required to make up an odd amount.

NOTE.—Blue prints can be obtained at the office of the Chief Architect, Department of Public Works, by depositing an accepted bank cheque for the sum of \$50.00, payable to the order of the Minister of Public Works, which will be returned if the intending bidder submit a regular bid.

By order,

N. DESJARDINS,
Secretary

Dept. of Public Works,
Ottawa, June 22, 1934.

STRAWBERRY-PINEAPPLE PRESERVES

To every quart of hulled ripe berries use one pint of fresh pineapple cut in small cubes. To each pound of fruit use a pound of sugar. Put strawberries. Cover, let stand over night. Pour off juice next day; boil up, add pineapple. Cook until syrup begins to thicken, add strawberries and cook until clear and transparent. Fill sterilized and seal.

Tour the High Peaks
CANADIAN ROCKIES

**BANFF and LAKE LOUISE
for a Holiday in
Alpine Sunshine**

For a real change, holiday in the Canadian Rockies at the lowest rates in years. Golf on top of the world at Banff Springs Hotel—swim—ride—hike—fish—motor—play tennis. Thrill to the scenic grandeur of Chateau Lake Louise and equally beautiful Emerald Lake Chalet. Chalet-Bungalow Camps at Yoho, Wapta, Lake O'Hara, Moraine Lake and Radium Hot Springs. The low prices at all these places make an extended stay desirable!

Ask for information about the Trail Ride (July 27-30) and the Sky Line Trail Hike (Aug. 3-6).

GOLF WEEK
Banff Springs Golf Course
Aug. 20-25
LOWEST FARES in Years
via Great Lakes and Rail to
Vancouver, Victoria & Seattle

from Fredericton:
45-day limit \$138.24
Season limit 160.25

Full Information from your Local Agent or

CANADIAN PACIFIC

FRESH STRAWBERRY FROSTING sifted sugar. Blend well and add the strawberries, cut in pieces. Add remainder of sugar and tsid until blend- butter; three cup confectioner's su- ed. Spread on cup cakes. A little orange or lemon juice may be added Cream the butter and add half theif desired.

SAFETY
SPEED
COMFORT
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The Railways Offer Special Vacation Inducements.

All railways are anxious that the public should regard them as more than mere mechanical means of transportation. They wish each patron to feel that he is the object of personal and friendly interest, and that the magnitude of a railway's operations does not obscure the important fact that when all is said and done it is what the patron thinks that really matters. Passenger traffic, it is realised, can only be built up by obtaining and holding the goodwill and approval of those who travel, and it therefore follows that all factors which affect the traveller merit and receive careful study.

One present factor has been fully taken into account. Today people do not have the spending power—nor the spending desires—of a few years ago, and so, as an addition to the regular services, special fares and excursions have been arranged to meet these conditions. For the long distance traveller there is at present in operation the popular cent-a-mile rate which enables the East to visit the West, and the West to return the compliment, at an exceedingly low cost, while for the traveller whose journey is shorter, there are frequent special trips at attractive fares. There are also reduced fares for week-ends and low rates for special one-day excursions, as well as for trips extending over three or four days, and for organized groups of travellers consisting of more than ten adults reduced fares are obtainable.

When the other things which railways provide are considered, travel at these fares represents the most economical transportation available. Whatever the fare paid, there is provided the essential quality of safety; there is a maximum of comfort and attention. There are at night restful sleeping facilities at extremely low cost, and on long journeys there are inexpensive but attractive and nicely served meals.

It is the endeavour of the railways to please. Suggestions for improvement are welcomed and carefully considered. The passenger is important and his wishes must be paramount.

It will prove well worth your while to find out what the railways can do regarding that trip you have in mind. Our agents everywhere are at your service.

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