for Edmonton West would be simply to dry up the mortgage market even more, and make it more difficult for people to obtain mortgages.

Mr. Lambert: They are not lending out money anyway.

Mr. Orlikow: Yesterday the governor of the Bank of Canada gave the people of Canada another one of his economic sermons.

Mr. Evans: Brilliant sermons.

Mr. Orlikow: I remind the parliamentary secretary that the governor of the Bank of Canada has been giving the same kind of advice for the last six years. It is the same kind of advice which led the Liberal government in 1975 to impose wage and price controls. During the election in 1974 the Liberal party promised never to impose wage and price controls, at a time when there was an emergency and we were facing an increase in the cost of living of 10.5 per cent for the year before the Prime Minister (Mr. Trudeau) brought this bombshell to Parliament. The wage and price controls were imposed, they were supposed to solve our problems, and here we are five years later and the cost of living is increasing at just about the same rate as it was when the Prime Minister brought in those controls in 1975.

What did the governor of the Bank of Canada say to Canadians yesterday? I should like to refer to an article which appeared in the *The Gazette*. It reads in part as follows:

"I confess that I am somewhat disappointed with the results to date" of the past five years' monetary policies, Bouey told the Empire Club in Toronto.

It went on to indicate:

But Bouey forecast the recently restrictive monetary policy, which was aimed at a 5.9 per cent growth ceiling, will have a greater impact on total spending trends in the future than in the past and thus ease the inflationary pace.

He was wrong before, and of course he will be wrong again, because all government policies, such as the energy ones, call for sharply increased prices. Sharply increased prices for energy and food will mean a further increase in the cost of living. As reported in *The Globe and Mail*, governor Bouey was talking about business when he said:

"If they were to survive, employers simply had to keep their costs—including their labour costs—from rising, and employees could not press too hard for wage increases if they expected their employer to stay in business and their jobs to continue to exist."

The governor of the Bank of Canada is saying to the ordinary people of the country that the cost of living may have gone up 10.5 per cent, and it will probably go up between 11 per cent and 12 per cent next year, but they should not even ask for enough in the way of increases in their wages or salaries to keep pace; they should be prepared to sacrifice. I would not mind the governor of the Bank of Canada giving that advice to ordinary people if he gave it to everyone.

Let us look at the organizations with which we are dealing right now. Let us look at the banks.

Mr. Evans: Oh, oh!

Mr. Orlikow: Of course the parliamentary secretary is one of the team of people who will continue to give the kind of orthodox advice we have been receiving from the governor of the Bank of Canada and the senior officials of the Department of Finance. They continue to give that advice to the people even though the prescription has not worked, even though the illness is greater than it was before, even though the cost of living is substantially higher than before. I am asking them to apply that kind of advice in an even-handed manner. While the governor of the Bank of Canada urged workers to be moderate in their demands, he never said a word about the banks. Perhaps the hon. member for Ottawa Centre (Mr. Evans) does not want me to say these things because he does not want people to know how well the banks have done. I do not know why he would have any other reason.

Mr. Evans: Mr. Speaker, I rise on a point of order. Quite frankly, I think the hon. member opposite knows why I am sitting here somewhat upset with his commentary. It is primarily because it has absolutely nothing to do with the motion before the House at this time.

May I call it one o'clock?

The Acting Speaker (Mr. Ethier): Order, please. The parliamentary secretary may have a valid point. I know the Bank Act is quite wide in scope, but I think members should deal with motion No. 25 which is before the House.

It being one o'clock, I do now leave the chair until two o'clock p.m.

At one o'clock the House took recess.

● (1400)

AFTER RECESS

The House resumed at 2 p.m.

The Acting Speaker (Mr. Blaker): Order, please. When debate was interrupted at one o'clock, motion No. 5 pertaining to the Bank Act was under consideration. The hon. member for Winnipeg North had the floor.

Mr. Orlikow: Mr. Speaker, in the few moments I had before the noon adjournment I put on record some of the latest comments and views of the governor of the Bank of Canada, Mr. Bouey. I pointed out how, in my view, he had been wrong in the advice he has given to the people of Canada. I pointed out that, again, he was lecturing and preaching to the vast mass of Canadian citizens who have to live on the wages or salaries they earn, that they should be moderate in their demands on the economy because, if they were not, inflation would get out of hand. I was just about at the point of urging the governor of the Bank of Canada to make the same kind of speech to the banks of this country and to urge them to show some restraint.