

*Alleged Corruption in Government*

owning shares for any large amount in a new bank.

Mr. Speaker, if there is a field where the Minister of Finance should see to it that legislation is standardized in this respect, if there is a field where the Minister of Finance should make sure that the government has more control than is the case now, it is the field of banking and credit. It is noted that in all his statements, in his amendments to the Bank Act, the minister has only one purpose: To strengthen the empire of some capitalists and big financiers, the monopoly of credit, the control of money supply and the creation of money.

Needless to say, Mr. Speaker, that we have not been blinded by the statement he has just made. That is merely another stage by this government in order to centralize in Ottawa the principal controls of the national economy, to prevent more and more the provinces from developing by themselves.

[Text]

[Later:]

On the orders of the day:

**Mr. R. Gordon L. Fairweather (Royal):** I should like to ask the Minister of Finance whether he consulted with the provinces in the spirit of co-operative federalism prior to today's announcement concerning investment by provinces in the shares of chartered banks.

**Hon. Walter L. Gordon (Minister of Finance):** As the hon. member, of all people in the house, should know, banking is a matter of federal jurisdiction.

**Mr. Bert Leboe (Cariboo):** Does the statement made by the minister this afternoon mean that the provinces will be prevented from buying shares in a chartered bank before legislation in this regard has been dealt with?

**Mr. Gordon:** That was covered in my statement.

### THE MINISTRY

#### ALLEGED UNDESIRABLE INFLUENCES IN GOVERNMENT OFFICES—MOTION FOR ADJOURNMENT UNDER STANDING ORDER 26

**Hon. Michael Starr (Ontario):** Mr. Speaker, I ask leave to move the adjournment of this house in accordance with standing order 26, in order to discuss a matter of urgent public importance, namely the great public unease which has arisen in all parts of Canada as a result of the allegations and disclosures

of widespread corruption, marked by the intrusion of undesirable influences into several federal government offices, including that of the Prime Minister, which have disturbed and shocked the public conscience and called into question the conduct and public morality of those in authority, and the advisability of the immediate constitution of a special committee of parliament for the purpose of making an unrestricted public inquiry into the foregoing.

**Mr. Speaker:** Is this proposed motion seconded by anyone?

**Right Hon. L. B. Pearson (Prime Minister):** The motion that has just been moved is couched in the most general terms. It uses the most extravagant adjectives. It talks about corruption in government offices, and it talks about influence—no doubt corrupt influence is meant—in the office of the Prime Minister. It puts on the record what, no doubt, the hon. gentleman intended to put on the record and then asks, as a matter of immediate urgency and public importance, an unrestricted public inquiry into the foregoing. I suggest to you the very terms of the motion are such that it cannot be considered under standing order 26, and that we should get on with the business of the house.

**Right Hon. J. G. Diefenbaker (Leader of the Opposition):** Mr. Speaker, I would have expected the right hon. gentleman to be less cavalier and nonchalant regarding a matter as serious as that set out in the motion of the hon. member for Ontario. We will have no opportunity of discussing the matters that have exercised the minds of Canadians for the last several weeks, matters that are of daily occurrence now. We had an example today that is difficult to understand. The hon. member for St. Jean-Iberville-Napierville placed before the house his views and ideas. What has happened here? What is the reason he was dismissed? What is the basis upon which the Prime Minister acted? He has refused to let the Canadian people know. According to reports in the press, he says it is not customary, when a minister is dismissed to give the reasons. Certainly this is a new and quite irregular proposition.

There have been only two cases in history, of which I have any knowledge, when prime ministers have fired their ministers. One of them was when Sir Wilfrid Laurier—

**An hon. Member:** What about Courtemanche?