

*Bank of Canada Act*

This is a big question that was never understood, that neither the Grits nor the Tories ever accepted to settle in this parliament. No one in this parliament ever accepted to settle or to attempt to solve this matter. Some day it will have to be dealt with.

This maze of credit money, financing, and company shares gives rise to a lot of questions. There are so many weird intricacies about the various kinds of reserves, with different rates, with reserve bases being used as guarantees for all sorts of savings, with various basic rates for reserves to insure the circulation of currency, of chartered banks accounting system.

And this mystery will still remain, in spite of all the efforts of a few honest members to obtain some explanations on those basic matters of our economic life, on our monetary and financial systems, on our system of currency and credit, on our banking, business and government systems; on our system of currency and credit, share capital and bonds; on our system of taxation and cheque circulation; on our system of income, expenditure and profits among individuals, families, companies and institutions.

This could be quite simple, if we took the trouble, Mr. Chairman. The matter would be quickly settled once it had been decided to administer the Canadian nation for the benefit of its people, of 20,400,000 human beings, rather than for a few institutions or corporations which control the economy of Canada, because they have been granted the right to exercise such control.

So we must add that one of the objectives of the Bank of Canada is to look after the question of money, credit and even capital, in the best interests of our economic life. The bank will have to see to it that it will never be necessary, from now on, for the provinces and municipalities to go to foreign countries to borrow, by way of issuing bonds at a high interest rate and on a long-term basis, to finance Canadian institutions.

The Bank of Canada, on the guarantee of our natural resources and Canadian labour, should be able to facilitate all issues of capital in the form of bonds that foreign banks are willing to issue on any kind of guarantee.

If we were looking after our own business, we would be able to guarantee all those goods and services the population needs so badly and we could thus remain masters in our own home, without giving up everything to strangers.

[Mr. Latulippe.]

Why should Canada not be in a position to produce its own capital, as it is capable of producing its goods, especially as far as municipal and provincial services are concerned? The Bank of Canada should issue all the money needed for the progressive administration of our municipalities, provinces and school boards.

● (5:30 p.m.)

There is no need, Mr. Chairman, to go to New York, Paris or elsewhere in order to create new bonds guaranteed by our resources and our people capable of producing and of paying taxes for the repayment and interests or administration costs.

Such is the aim, Mr. Chairman, of a resolution I shall move in due time before this Parliament, with the support of a colleague.

Thus, the Bank of Canada will finance provinces and municipalities and it will be a right and an obligation on the part of chartered banks to finance individuals and private enterprise, according to the present system.

We do not intend to deprive the chartered banks of any of the existing methods, but the duty of the existing chartered banks lies in the financing of private enterprise. On the other hand, it is up to the state, to the government, in brief to the hon. members to see to it that the Bank of Canada should finance other people's property. In so doing we would be improving the lot of the Canadian nation.

I already said, Mr. Chairman, and I repeat it, that it is not power we are seeking, but monetary reforms. We know that the few people who have at least had the benefit of catching a glimpse of our financial system, who have some idea of what the Bank of Canada stands for and of what it can do for people and for this nation, are calling upon the Bank of Canada to act are demanding a reform of our statutes, are asking for the necessary amendments so that the Bank of Canada may regain control of its money and its credit in order to finance all our public institutions as well as the future ones which will have to be developed.

If the Canadian people are able to produce, the Minister of Finance, with parliament's permission, is certainly able to take steps to finance the present production, even the future production of this country. We are certainly able, Mr. Chairman, to eliminate in a few years the dreadful public debt that is crushing the people and obligating a nation to pay ever increasing taxes which they find revolting. Mr. Chairman, it is those taxes that the people find sickening.