

may, of the mover of this amendment, and that is what declaration of principle is there in the amendment that he has moved?

Mr. COOTE: I tried to make it clear when I spoke this afternoon that there was a vital principle contained in this bill and that was the principle of private ownership, the turning over to a privately owned bank of the right to issue legal tender in Canada, a right that has been exercised by parliament for the last sixty odd years. It seems to me that nearly everybody in the house is agreed on the subject of a central bank, but there is this vital principle involved: Is the central bank to be the bank of Canada or a private bank? I do not know whether I have made myself clear to the right hon. gentleman.

Mr. MACKENZIE KING: My hon. friend is speaking about the bill; I am speaking of his amendment. What is the declaration of principle in the amendment? That is what I should like to know. So far as the bill is concerned it has been made perfectly clear by the ministry, and the official opposition so regard it, that the only principle in the bill is the principle of the incorporation of a central bank. But my hon. friend has moved an amendment, and as I read it I cannot see any declaration of principle in it at all except the declaration that this bill shall not be given second reading. That is what the amendment says, that the bill shall not be proceeded with, but that the government should further consider. There is another statement which is equivalent to saying that the government shall go on considering whether they shall reintroduce it once it is thrown out. There is no declaration of principle in the amendment that I see. If there is I ask the hon. member to explain what it is.

Mr. COOTE: With the permission of the house, which I must have in order to answer, the amendment asks that the government shall give further consideration to the question of providing that the stock of the proposed central bank shall be owned by the government, and that the governor and directors of the bank shall be appointed by the governor in council. We are asking the government to provide for public ownership before they proceed with the bill. We have to use what might be called roundabout language, because if we specifically asked that the ownership of the stock be vested in the government the amendment would be declared out of order on the ground that the motion called for the expenditure of public funds. So in order to come within what I might call

diplomatic language we are requesting the government to give consideration to this question.

Mr. HENRI BOURASSA (Labelle): May I intervene between my right hon. friend I intervene between my right hon. friend (Mr. Mackenzie King) and my hon. friend to my left (Mr. Coote)? I think the point of order raised is well taken. My hon. friend from Macleod (Mr. Coote) puts us in this position: Either to vote against his amendment, which would make us appear as being opposed to the principle of public ownership, or to vote with him and thereby prevent the second reading of the bill, which would mean that we did not want the establishment of a central bank. Surely my hon. friends do not want that. May I suggest that the only proper method in which my hon. friends to my left can express their view as being in favour of the establishment of a central bank is, first, to vote for the second reading of this bill. I assume that most hon. members of the house are in favour of the establishment of a central bank. That is all we would be voting for at the present time. The principle of a bill is usually expressed in the preamble. Now, in the preamble of this bill, there is not one single word, or the slightest intimation, as to the character of the bank, as to whether it is to be a government owned or a privately owned institution, under the control of the government. Let me suggest a remedy to my hon. friends. After we have voted for the second reading and when the bill comes back from the committee, they would have the right and, according to their views, the duty to ask the house to refer the bill back to the committee in order that there shall be introduced the principle which they desire to introduce. They can ask that a clause be inserted to the effect that the bank shall be publicly owned instead of the clause which provides for private ownership. From my little experience of parliamentary procedure I think this is the only manner in which a clause in this bill can be changed.

I had not expected to take part in this debate. I did not bring down my notes; but now that I am on my feet I shall express some of my views on the matter. I have studied this question for several months, not to say years. I have read more than once the report of the commission. I have consulted men of the money trade—all this, in an effort to enlighten myself, but I am afraid that the more I have read and the more I have consulted, the more doubtful I have become. Nevertheless, for the one reason given by the Prime Minister (Mr. Bennett),