

the Prime Minister agree to reconsider the position of his government and submit to the House amendments to the Bank of Canada Act in order to give Canadian provinces a source of revenue and capital other than that of foreign countries? This would prevent such sad spectacles showing our fellow citizens crawling before foreign forces to maintain the development of our own country. Is the government aware of this fact and does it consider that national unity is worth taking over the development of the public sector through our own bank, the Bank of Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not think my answer will satisfy the hon. member because we do not agree on the monetary theory. We believe that the province of Quebec, all the provinces of Canada and the Canadian government as well must borrow out of the savings of Canadian citizens or those of other countries. If Mr. Lévesque goes to New York or Europe to borrow his funds, he is doing exactly what the other provincial premiers do, and we do not believe that we just need to print more dollars to be able overnight to achieve everything in this country.

Mr. Fortin: Mr. Speaker, on a supplementary.

Is the right hon. Prime Minister aware that the system he protects—as he just said—by trying to ridicule a solution rather than appreciating it, is planning the construction of 40—only 40, that is not much—housing units in Quebec, in one of my colleagues' riding, to be financed by a federal government loan of \$966,960, at a rate of interest of 10 per cent, compounded, for a term of 50 years? Does he realize, instead of laughing at the Social Credit Party of Canada, that the system he protects will force Quebeckers he wants to keep in confederation to reimburse to the federal government the amount of \$4,773,350 and that, under those circumstances, it is not interesting to remain in confederation since it only leads to impoverishment, and that provoking the dismemberment of the country is simply a means to maintaining that system?

Mr. Trudeau: Mr. Speaker, I do not scoff at the Social Credit Party of Canada; I say merely that I disagree with its monetary theory. My answer to the hon. member is simply this: the government itself, the government of Canada, pays the interest when it borrows from the citizens. It pays interest in hundreds of millions of dollars each year when it issues Canada Savings Bonds, it pays interest to the citizens who agree to lend it money. If the citizens, including the hon. member, were willing to lend to the government without interest, it too could lend interest-free money to others. But clearly no one asks anyone to hand over his savings without asking for some interest. That applies as well to the government of Canada as to that of Quebec, of the other provinces, and any individual who wants to borrow.

Mr. Fortin: Mr. Speaker, a last supplementary.

I should like to ask the Prime Minister whether he is aware that the Bank of Canada does not have the right to lend money to the provinces, and also, what difference is there between \$100 million coming from New York and \$100 million coming

from the Bank of Canada, guaranteed by the same resources and faith in the future?

* * *

[English]

PUBLIC SERVICE

REASON FOR FIRING WALTER RUDNICKI—INQUIRY WHETHER MR. RUDNICKI'S NAME ON ALLEGED BLACKLIST

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, my question is directed to the Minister of Justice. It refers to a matter which has been exposed in the House over the last few days, namely, that of an extra-parliamentary opposition list.

Even though the minister was not responsible for the same portfolio at the time the list was circulated, he was, nevertheless, responsible for firing a senior civil servant for reasons which were found by a judge of the Supreme Court of Ontario to be wrong. Can the minister tell us today what the real reasons for firing Walter Rudnicki from his position with Central Mortgage and Housing Corporation were at the time and whether the minister was aware of the blacklist on which Walter Rudnicki's name appeared?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, the premise of the question is incorrect as to the finding of the court in Ontario that the dismissal of Mr. Rudnicki from CMHC was wrongful. The balance of the question has been answered by the minister administratively responsible.

Mr. Oberle: Mr. Speaker, if it is permissible I would like to ask the minister, since he was directly responsible for the department in which this senior civil servant worked, since he was directly responsible for firing him, and since he displayed little concern at the time for the future of this person—

Mr. Speaker: Order, please. I am not very much concerned about the argumentative portion at the end of the hon. member's question, but he is seeking the opinion of the Chair, I am sure, in his preamble as to whether it is proper for him to ask questions of the present Minister of Justice about his capacity in an earlier portfolio, and I am sure the House understands we have clearly established that that is not proper.

Mr. Oberle: May I phrase the question somewhat differently and merely ask the minister if in his present position as Minister of Justice he would be prepared to display a somewhat greater concern for the injustice which has been perpetrated on this senior official?

Mr. Speaker: Order, please. The hon. member for Central Nova.

ALLEGED CIRCULATION OF BLACKLIST OF EMPLOYEES—
GOVERNMENT POSITION

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I would like to ask a supplementary question of the present Solicitor General. Is he now able to tell this House something