

Bank of Canada Act

Mr. Caouette: More than that, at one time, those people were told: "Listen, we will buy, because we will not lend you any more on bonds you have deposited here as collateral—that was when tight money was introduced three years ago—however, we are prepared, for instance, to purchase your bonds, but instead of paying \$1,700,000—we will pay \$1,100,000. At that time, Canada bonds were not selling at par, but at a lower price than paid by those who had purchased government bonds. The banks which were controlling then control now. And when I say that Canadians generally had to hand over their government bonds to chartered banks as collateral, this is a fact; the bonds are there and the banks can at any time tell the borrower: "We are keeping your bonds because your credit is no longer acceptable to us".

People can have their credit cut off overnight or within ten minutes. That is how the present banking system works.

At the banking committee, I heard bankers, bank vice presidents and general managers say that they had but one purpose: to help the Canadian nation, those in the lower income bracket, and that if they were allowed to raise the rate of interest they would be in a better position to help those with low income, I say that is not the way to help them, to serve the common interest of the Canadian people or of Canada.

Hours on end are spent discussing trifling matters, but the financial system seems of no concern and is of course not considered worth studying so that it could be amended and brought up to date. That is a fact, but should a member bring up the matter of a scandal in this house—Rivard's escape, the Gerda Munsinger affair, and similar things—and the reporters section up there will be filled to capacity, because it would be considered an important matter; but when the economic blood of a nation, the control of a nation is in the hands of money and credit handlers, that is not important, it is normal to carry on with the present system and follow the same beaten tracks.

Mr. Chairman, large newspapers are controlled by that financial group. They cannot even say what they think, but only what is dictated to them by the financiers, and that is why the press is not only poisoning the public at large and the ordinary working man, but also university students. The financiers have but one objective and that is to make money and try to control and crush

anyone who does not conform to the present financial system.

Mr. Chairman, the Créditistes are right in calling for amendments. The amendments passed this year will last ten years, for the renewal of the banks' charter will be for a ten-year period. Are we going to give ten more years of power to those who control money and credit? Are we going to entrust them again with that weapon which is represented by finance, that weapon which was condemned not only here in Canada but even in the United States, by former American presidents I have already quoted in this house, who said: "Our enemies are not the armies, no, but the financiers".

Here in Canada who are our real enemies? The Americans? No. The fact that the English do not speak French and the French do not speak English? No. Our enemies in Canada, and those who are sowing discord and taking advantage of divisions and misunderstandings, are precisely the financiers, who are not people of a particular language. Their monetary system has no religion either, the dollars are even colorless and especially heartless.

An hon. Member: You should try and convince the hon. member for Lapointe (Mr. Grégoire).

Mr. Caouette: We must leave to the hon. member for Lapointe (Mr. Grégoire) the responsibility of his actions. He is the one that answers for his actions. We are democrats, in that sense at least.

Mr. Grégoire: I can answer for my actions, while it is impossible for the parliamentary secretary of the Minister of Finance to answer for his.

Mr. Caouette: Let us simply demand, and we need not demand, we have only to adopt laws, to tell the bankers: "You can do this, but you cannot do that." There is nothing easier than to tell the Bank of Canada: "You are going to finance the public sector." Then, any new credit will be created by the Bank of Canada to serve the public sector.

• (8:50 p.m.)

The chartered banks will not have the right to multiply that credit 12.5 times. On the other hand, in the private sector, they should keep the rights they now have by depositing with the Bank of Canada so that we can have some control on our monetary system. There is no need to nationalize anything for that. It is enough to use our best judgment to put that finance at the service