Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in my opinion, we should look fully into the proposition of the amendment now before us. In order to make it easier for the Minister of Finance (Mr. Benson), I shall speak in English. Incidentally, my notes are in English.

[*English*]

This motion asks that the government should consider the advisability of making use of the powers and resources of the Bank of Canada for the purpose of alleviating the taxation burden. The motion does not, of course, determine in what way. It merely expresses a pious hope. The Bank of Canada is a central bank which has an essential role as the reserve bank organism in Canada, and it also participates as a central bank in a world context which in this day and age is even as important as its role within Canada. In any event, the motion expresses the pious hope that, in an indeterminate way which the proposer of the motion has not indicated, the government of Canada should make the Bank of Canada some sort of supine instrument at the beck and call of the Minister of Finance.

The hon. member was not here in years past when the role of the governor of the Bank of Canada or the relationship between the Minister of Finance and the governor was finally and clearly established. It was shown that there must be independance in the relationship between the governor of the Bank of Canada and the Minister of Finance. True enough, the Minister of Finance may give directions to the governor, but if the governor does not think they are proper he may insist upon receiving them in writing. The minister can give directions and give them in writing, but I suggest to the hon. member that the required degree of co-operation and, shall we say, degree of confidence and support as between the Minister of Finance and the governor of the Bank of Canada would then go right out the window.

In any event, the motion does not say in what way there shall be an alleviation of the burden of taxation. I suppose one might presume that the interest burden imposed upon the municipalities, the provinces and the federal government could be lowered—and I think this is the basis of the suggestion of hon. members to our left—by the Bank of Canada making loans apparently without limit to the various government organisms at an interest rate barely above zero, merely a nominal rate, and to that extent thereby perhaps reducing the expenses of the various governments.

Then we come to the words, "and for undertaking an efficient struggle against poverty in order to establish a just society." Now, what on earth does that mean? I must consider the motion in the sense of whether or not it is meaningful for me in order to be able to lend support to the hon. member. If it is meaningless to me, then I cannot lend my support.

I think back to my days in Alberta when social credit was coming in from 1935 to 1940. We saw the old cranking machine in the offing. This is all it was.

Mr. Rondeau: Be serious.

Mr. Lambert (Edmonton West): I am deadly serious. I was there. The administration of that time thought it could put it into effect but it was a complete and utter failure. The proof of the pudding is that that administration has completely abandoned any attempt at instituting social credit. In British Columbia, of course, the administration has never made any pretence in this regard. Its only allegiance is to a name because it had to find a name. On reflection I must say too that in what I was saying about finding a name not only do I say "an aim" but also "a name" for that administration.

I find it rather difficult to follow the thesis of the hon. member for determining that the Bank of Canada should be prepared at all times to purchase the securities or obligations of municipal governments, the provinces and the federal government apparently without restriction so that these bodies may carry out their works as they see fit.

Mr. Rondeau: No.

Mr. Lambert (Edmonton West): Then the hon. member should say so. He said that the Bank of Canada must purchase the obligations of the municipalities and provinces. Then the hon. member intervenes and says he did not say without limit.

• (3:40 p.m.)

Mr. Rondeau: I did not say that.

Mr. Lambert (Edmonton West): The hon. member must say so because he says the Bank of Canada must purchase the obligations of these municipalities and provinces. The hon. member says he did not say without limitation. Who would establish the limitation? The Minister of Finance in effect would do so since the Bank of Canada would be acting as his agent. If in fact the Minister of Finance, were to establish such a limitation