

*Bank Act*

to whom the same thing must be repeated over and over again. Finally, there are others who will never understand. It is useless to sow carrots on a rocky soil, because they will never grow.

We repeat the same ideas, because we hope that among the authorities in Canada, there are some who have enough logic to understand that our monetary system is illogical and defective and who have enough determination to organize and reform that system and provide us with a better one.

Mr. Chairman, at this time, we are asked to accept a piece of legislation extending for a year of banking operations. It seems to me that this legislation will be passed with or without our help, since in this house the majority approves those banking operations as they exist at the present time.

Now, a one year extension will allow us to scrutinize our system in order to make the necessary reforms.

The Minister of Finance was talking about referring the whole matter to the committee on banking and commerce. I should like the minister to tell us when that committee on banking and commerce will convene to study and analyse the documentation that will be submitted to it, among which the Porter report and other documents, in order to make a serious and detailed examination of our monetary system, so as to improve it as much as possible to meet the wishes of the Canadian people.

It would therefore be a good thing to know when that committee will meet, to try and finish the work on time, so that next year we shall not be faced with another request to delay the matter for one more year, because this has got to be done as quickly as possible. We, of the Ralliement Cr ditistes, have very timely and logical suggestions to make to that committee, for the overhauling, the reform of the Bank Act, so that the government might regain the control of what is perhaps the most important thing in Canada, because it includes everything else, that is the control of credit, which is the sign of the national wealth of our production and our work.

Mr. Chairman, we shall wait and see the text of the bill which will follow the passing of the motion for second reading, and I am asking the Minister of Finance to see to it that the sentences are not longer than a page if possible. Two pages and a half for a single sentence is really too long. One page would be an improvement, and if the minister could succeed in making his sentences half a page long, he would be congratulated; this would be something that would be unusual. When

this bill would come up for consideration, we could more easily make our suggestions.

Mr. Chairman, by concurring in the resolution or the bill which will follow, it is realized that chartered banks are given an extension of a year, because if the bill were not concurred in, the chartered banks would cease to operate on July 1, and this would mean losses for certain big capitalists.

But if we said: "All right, you will be allowed to go on for a year, but Social Crediters ask that you keep 100 per cent liquid assets. That makes sense maybe. In the year allowed to you, we will not go as far as 100 per cent, as required by Social Crediters, but try to keep 25 per cent of liquid assets. It would only be a quarter of what they ask, but try to do it".

Then, the Bank of Canada could make up the difference between 8 and 25 per cent, that is 17 per cent. The Bank of Canada would take the place of chartered banks and, rather than going out of business, they would be glad to continue their banking operations with only 75 per cent of their privileges, instead of 92 per cent, as at present.

Consequently, if the Minister of Finance wants to allow the banks to carry on their banking operations for a year, I suggest to him that he should impose certain conditions which would be to the advantage of the Canadian government, letting the Bank of Canada perform certain duties which are discharged at the present time by the chartered banks.

As an illustration, I could point out the financing without interest of public developments, the building of schools, of universities, hospitals, bridges and roads.

And during that extension of one year granted to the chartered banks, the Bank of Canada might be able to take over and to finance without interest those public works, because its objectives would be to make a profit like the chartered banks.

When the time comes to pass the bill in its final form, it is impossible then that the tests we are suggesting will have shown themselves very beneficial to the Canadian people and will have made it possible to save not only the Canadian economy but also the Department of Finance which is getting bogged down in debt it will never be able to repay under the present system, a debt on which the interests keep piling up and which must give an unremitting headache to the Minister of Finance, since the interest on the national debt is much higher than the budget deficits and hurts our country's expansion.

Mr. Chairman, I ask the minister to take my remarks into consideration before introducing the motion preceding the second read-