

Supply—Finance

I would like the Minister of Finance to tell us why the Bank of Canada could not play that part. One of the greatest attributes of its sovereignty is surely to be able to control its money. But the Canadian government is leaving that to capitalists and big financiers. The Canadian government is leaving that in the hands of a few big financiers who control credit in Canada, when it should take back that control for its own expenditures and stop filling the financiers' pockets through taxes paid by the people.

The aim of private institutions and chartered banks is to make profits. That is true. Then let them make those profits at the expense of the private sector of the economy and not at the expense of the public sector, which comes under public banks, the aim of which is not to make profits but to serve the people.

The Minister of Finance should start thinking about using the Bank of Canada; that is its purpose, it is a financial institution. And it is not being used, or rather, it was used once, when time came to lend \$200 million to England, without interest; it served the purpose then, but when it comes to lending to Canadians, then things do not work out.

The member for Levis said a while ago that the Minister of Finance is an idealist. Let him explain then, why the Bank of Canada did this for England and why it does not do it for Canadians. If \$5 million could be loaned to Jamaica, without interest, why can the Bank of Canada not do the same for Canadians and public organizations in Canada? That is what the Bank of Canada should be doing. But no, the present government, like those before it, has always preferred playing into the hands of international finance.

● (5:10 p.m.)

When you consider that the government dipped into the Canadian taxpayers' pockets and spent \$1,101 million last year and \$1,187 million this year to pay interest to those big international financiers who control our economy, then I say that the government does not play its proper role, does not do what it should do, that is serve the people and not a few big financiers.

The Minister of Finance should begin by studying seriously suggestions such as this one which are meant to serve the people and protect the money of the Canadian people rather than give it to the chartered banks or to big financiers.

Where did the chartered banks and the big financiers find money they loaned to the government? There is not even enough to pay all the debts in Canada. How is it that we owe them more than the money in circulation? Can the minister explain that? How is it that the debts of the federal, provincial, municipal governments and school boards are twice as large as the money in circulation? Where did the bankers get the difference which does not even exist? Can the minister tell us that? If the government wanted to repay the debt in full tomorrow, could he tell me if there would be enough money in the pockets of all the people, all the companies and all the businesses to pay back such a debt?

How can the minister explain such a situation when we owe more money than there is in circulation? Surely somebody loaned money that did not exist. Then, how did they do it and how could our Ministers of Finance let certain financial organizations lend money that did not exist and let us pay interest on it? Every year, we pay astronomical sums in interest; the situation is serious and important not only for the federal government but for the provinces, the municipalities and the school boards.

Mr. Chairman, I think that the minister should take that problem into serious consideration. The committee on finance, trade and economic affairs will soon meet to study the Bank Act; at that time, the Minister of Finance might suggest that the Bank of Canada should get a charter like the other banks but should use its privileges only to finance public works, in short that the Bank of Canada only be authorized to finance public bodies and governments and should leave to the private banks or other chartered banks the financing of private enterprise.

The minister might find his way to making such a suggestion to all levels of government, the federal, the provinces, the municipalities and the school boards. Large sums could then be included in the budgets of each of those governments and be earmarked for the carrying out of works or the performance of services for the Canadian people. It would no longer be necessary, as it is today, to pay interests to a few big financiers or a few big financial institutions who add billions to their wealth at the expense of the taxpayers.

Then, let the minister take this suggestion into consideration, submit it to the committee and have experts study it and he will realize that it is sound and likely to improve the economy of the country, while enabling the