

to curtail the autonomy of the provinces... Secession is being discussed in Australian States: they were prevailed upon to submit to the centralized control of money power through a federal loan council.

I have another comment along exactly the same line. I quote these articles simply to show that there is really grave cause for concern. I am not in any way intimating that anyone in this house is insincere or has in any way been really guilty of any reprehensible act, but I am making this statement that there is grave cause for some concern. We find in the *Ottawa Citizen* of January 30, 1936, at page 28, an article entitled *The Empire and the Octopus*, from *Overseas Notes* by J.B.D. in *Social Credit*, London. These notes were written before the appearance of two consecutive articles on the proposed Canadian Loan Council, published in *The Times* on January 13 and 14:

If Canadians like the prospect of mounting debts and taxes, increased rioting of unemployed, loss of personal liberty, and regimentation of their daily lives "for their own good" by an alien power, the whole culminating in civil or foreign war, or both, they need not do a thing about it, for it will come of its own accord. If they don't want these things they will have to demand what they do want, and stop arguing about methods; otherwise they are lost. "No argument," says the *Western Producer*, "can dissipate the prime fact that if the provinces yield to the dominion suzerainty over financial matters, then they will have sacrificed the last vestige of power that remains with them which is of any consequence at all. The voice which suggests this drastic change may be the voice of the federal government, but the hand behind it is the banker's."

Mr. MACKENZIE KING: May I ask my hon. friend whether the matter he is now discussing could not be discussed more appropriately when we come to the Bank Act or to legislation with respect to financial councils. Has what he is discussing to do at all with the amendment to the British North America Act which is being considered by the house at the present time?

Mr. BLACKMORE: My impression is that this motion has to do with the introduction of a loan council into this dominion.

Mr. MACKENZIE KING: No, that is the point. I did not wish to suggest that the hon. gentleman might be out of order and for that reason I put my question to him in the form I did. It is conceivable that the amendment proposed may be passed and no loan council ever be introduced in this house as a consequence thereof. There will be time to discuss the question of a loan council when a measure with respect thereto is introduced.

Mr. BENNETT: It is the basis of it.

Mr. BLACKMORE: Is the Prime Minister in any way giving a commitment that this does not mean the introduction of a loan council? That is all I am concerned about.

Mr. MACKENZIE KING: It does not necessarily mean that. It is possible that in the course of this session, as the Minister of Finance has already indicated, a measure may be introduced which will have to do with loan or financial councils, but it does not necessarily follow that, because this amendment to the British North America Act is made, legislation will be introduced either at this session or at any other time with respect to such councils.

Mr. BLACKMORE: I had the impression that this had to do with a loan council. If it has not, then I agree that I had better reserve my remarks in that regard until such time as a loan council is discussed. But it certainly is the impression generally that this has to do with a loan council.

Mr. MACKENZIE KING: In order that there can be no mistake as to my position in the matter, I would say to the hon. gentleman that unless the British North America Act were amended in the manner here proposed it would not be possible for the government to introduce legislation of the kind to which he is now referring, but whether the government will introduce legislation in respect to loan councils or not will depend upon the course of events after authority is given such as is asked for by this particular amendment. The point I wish to make clear is this, that if such legislation should be introduced the hon. gentleman will then have ample time and opportunity and will then be wholly in order in discussing the matters with which he is now dealing.

Mr. BLACKMORE: I am very much pleased indeed to learn that this of itself does not mean the introduction of a loan council in the dominion, and if a discussion of the loan council is out of order in this connection I will desist at the present time. But if it means the thin end of the wedge, as a result of which a loan council is to be introduced in Canada by slow degrees, then I wish to register my protest in the most emphatic terms that are consonant with respect for the house.

Mr. MACKENZIE KING: Let me make it perfectly plain to my hon. friend. I should not like him to say, if later on legislation were introduced making provision for a loan