

measure before us and the necessity of avoiding the possibility of any misunderstanding or misrepresentation concerning the attitude of the official opposition on the second reading of this bill, I have thought it advisable to follow the example set by the Minister of Finance (Mr. Rhodes) at the time of introducing the resolution on which the bill is based, and to reduce to writing that which I wish to say at this stage.

We propose to allow the government to proceed with this bill in the manner which was followed a week ago to-day by all parties in the house with respect to the bill on banks and banking, which is the customary procedure of the House of Commons with respect to measures of this kind, and to permit the bill to go immediately to the select standing committee on banking and commerce where its provisions may be studied in detail, in relation to each other, and to those of the bill on banks and banking, which has already been so referred. It is our intention not to delay or obstruct its progress to the committee on banking and commerce by proposing any amendment which would have the effect of dividing the house, and which, without doubt, would be certain to promote lengthy debate at this stage. Our attitude at this stage, second reading, continues to be that which I outlined on the resolution which preceded the introduction of the bill, and which was based on the assurance given by the Minister of Finance and the Prime Minister (Mr. Bennett) that in allowing the resolution to pass without debate we were committed to nothing beyond the principle of the establishment of a properly constituted central bank for the control of credit and currency in the public interest, and for other functions as set forth in the preamble to the bill itself.

May I at this point quote the words in the preamble of the bill, which is designated, An act to incorporate the Bank of Canada:

Whereas it is desirable to establish a central bank in Canada to regulate credit and currency in the best interests of the economic life of the nation, to control and protect the external value of the national monetary unit and to mitigate by its influence fluctuations in the general level of production, trade, prices and employment, so far as may be possible within the scope of monetary action, and generally to promote the economic and financial welfare of the dominion.

And so on. The statements of the Minister of Finance and of the right hon. Prime Minister to which I have just referred appear in Hansard of February 22. The quotation I should like to make from the remarks of the

[Mr. Mackenzie King.]

Minister of Finance are to be found at page 830, and are as follows:

In conclusion, I desire to assure the house that the government has given careful thought and study to the drafting of this bill. At the same time, in submitting it to the banking and commerce committee, it invites that committee to give it the most careful examination and scrutiny, and if in its judgment any amendments can be made which will be designed to accomplish more fully the purposes of the measure or to strengthen its provisions, they will be not unwelcome.

Following the Minister of Finance, the Prime Minister is reported at page 837 as follows:

We are merely pronouncing in favour of a central bank, and when the measure has been introduced and the bill given the first reading the house will have an opportunity to consider later the extent to which it approves of the details as they appear in the measure.

Then, again, at page 839:

As the minister has indicated, to the extent to which this house in committee, that committee representing every section of Canada, concludes that amendments to be made there will enable this bank properly to discharge the functions of a central banking authority, such amendments will be welcome.

I might refer to another statement made by the Minister of Finance, and reported at page 843 of Hansard as follows:

I believe the statement I made at an earlier stage, when moving the house into committee, will indicate that the government is prepared to deal sympathetically with any suggestion towards strengthening the bill, and which has in mind the main object of the bill, which may emanate in committee.

It is because we base reliance on statements made by the Minister of Finance and the Prime Minister to the effect that in committee every opportunity will be given hon. members on this side of the house to move such amendments as they deem necessary to further the object of the bank as a properly constituted central bank, properly constituted that is from our point of view—a subject which will have to be considered very carefully—that we think it proper to discuss the matter in committee rather than to provoke a debate at the moment which might be protracted and would prevent the bill reaching the committee for some time to come.

When second reading of the bill is passed, we understand it is to be referred at once to the select standing committee on banking and commerce where full discussion may be held on each and all of its provisions; also that when the bill is reintroduced in committee of the whole, and upon third reading, we shall be free to propose any amendments which we may regard as appropriate and