

Alleged Decentralization of Policies

We have already asked the Minister of Finance to tell us about the holders of government bonds, to give us the names and addresses of the State's creditors. The government was either unable to give us the answer or did not want to do so. If it had, we would have found that the people who receive interest payments on the public debt get some \$2 billion per year—that Canadians will pay in 1972—and that such people are not in the low-income group.

On the contrary, those who receive such interest payments are in the high-income bracket, and a large part of such interests will merely add to the dividends of financial institutions.

Therefore, we can draw the conclusion that public debts are regressive and vindictive, because they penalize mostly low-income people. About 15 per cent of their taxes are used towards the interest on such debts.

It is therefore time, Mr. Speaker, to come back to sound financial concepts and to bring in realistic budgets which really reflect the existing financial situation in Canada.

The Minister of Finance has the responsibility to prepare the federal budget. He calculates expenditures to be made and taxes to be levied in order to meet them. If the public seems to be overtaxed, the Minister of Finance starts thinking about ways and means of either cutting expenditures here and there, or floating new loans that will result in more increases of the public debt and more interest to pay each year.

● (1420)

At present, public finances are nothing more than simple bookkeeping with expenses and revenues which end up each year with either a balanced budget or a deficit budget. Thus, as years go by, as I said a while ago, the debt increases continually and in turn increases the interests that the Minister of Finance must collect through taxes.

The present Minister of Finance (Mr. Turner) is behaving exactly like all previous ministers of finance. I would even say that most political parties are not thinking differently and would not do otherwise if they were called to form a government in a month or two.

We, of the Social Credit party, agree on one point. The Minister of Finance must bring in a budget taking into account revenues and expenses for the year. But there is more than a mere alignment of figures. We believe that the Minister of Finance should also show the assets and liabilities of the country. Assets should indicate the enrichment of the country, and liabilities, the depreciation and impoverishment that Canada suffered through immediate consumption or consumption spread out over several years.

For this purpose, a Creditiste government would establish a National Credit Office who would enter in the assets column any increase in the wealth of Canada. For instance, the building of a bridge in Canada is an enrichment that should be taken into account in the assets column. New highways, a seaway, new hospitals or schools all constitute an increase in the assets.

[Mr. Rodrigue.]

At the present time, I challenge the government to indicate where that fits into the estimates that it proposes and to tell where these increases in the assets of Canada are reflected.

On the same general subject, Mr. Speaker, the new plants built in Canada as well as the increase in the Canadian population should be taken into consideration. It is said that human resources are our greatest asset. Where is this written in the books of the government? Where is this indicated in the assets of Canada? Nowhere.

This year, more than 300,000 new graduates will join our work force. This is certainly a gain because these new workers, being better educated than their elders will devote their energies and their knowledge to the aim of producing more and making better products. I suggest that this is an asset for our country.

So, every year the asset should increase, but this does not show in the estimates tabled by the Minister of Finance. For instance, what body sees to it that this increase in real credit is reflected in financial credit? Who provides for an increase in financial credit in view of present circumstances? The increase in financial credit is done haphazardly, according to the whims of the only credit makers in Canada.

If production increases, who sees to it that the purchasing power is also increased? No one.

What governmental body sees to it that more money is put into circulation so that the new production, the production that is possible thanks to new plants, new workers and new brains gets to the consumers. Nobody worries about that.

No government has ever proposed that the assets and the enrichment of Canada be made to work for the Canadian people. All that is left to the discretion of those who are in power. Governments and Finance ministers never worried about regulating the whole volume of money in circulation according to the assets and the liabilities, according to annual enrichment and depreciation. The governments leave it up to the industrialists and to their ministers of Finance to get along with the bankers when they run short of money. Private interests decide about increasing or decreasing the volume of money as far as production is concerned. Those same interests will also decide that all that money must be taken away from consumers or taxpayers through taxes or price increases.

In my opinion, this amounts to slowing down, penalizing and taxing every enrichment. Farmers, industrialists and the government are all subjected to the discretion of private interests and to the conditions they set.

But what would a Social Credit government do? That is what some people will ask. Thanks to the monetary techniques of Social Credit we would, at first, fill that gap by introducing an accounting system that would correspond to reality. If the production capacity increases, it must be reflected in the national credit account, in the assets. In the same way, when there is depreciation, attrition or just a loss or destruction of production, that must be reflected in the liabilities, and the difference between the assets and the liabilities must normally bring about a net enrichment