

Suggested Interest-free Loans

The town of Saint-Hubert, for instance, which has a municipal budget of \$2,274,400, must pay \$1,015,866 in interest only on its debt. The municipality of Ville d'Anjou, which has a \$4,976,081 budget, must earmark 64.9 per cent of its budget for the repayment of interests only. It actually has to pay \$3,229,623 in interests.

And so it goes for most municipalities in Quebec.

For instance, on a budget of \$690 million, the city of Trois-Rivières-Ouest must pay 57.4 per cent in interest alone, that is \$396,385. The story is much the same for all municipalities in Canada.

I would have liked to table in the House a list of borrowings by the Quebec Hydro last year, a very important list. In a single year, the Quebec Hydro borrowed \$282 million, including \$50 million in the United States on July 15, 1969, \$27 million in Germany on September 1, 1969, \$25 million in Canada on October 15, 1969, \$20 million in Europe on October 15, 1969, \$50 million in the United States on December 15, 1969, \$50 million on February 1, 1970 and \$60 million on March 15, 1970.

A look at those figures shows that every 15 days, Quebec Hydro gets into debt to the tune of approximately \$25 million.

When we consider those figures, we realize that a very large part of the budget of some municipalities goes in interests on their debts.

For example, in the city of Châteauguay only, one bank makes an annual profit of \$315,000 in interests on three bank accounts. The two cities of Châteauguay owe the same bank the amount of \$1 million at 9½ per cent interest. The Youville Regional School Board, in the riding of Châteauguay, owes \$1,700,000 at 8¾ per cent interest. As for the Châteauguay School Board, it has a \$881,000 debt at 9½ per cent, for a total of \$3,581,000 on which the bank makes \$315,000 a year. It does not take a large personnel to enter three different figures in the three bank accounts.

Three hundred and fifteen thousand dollars have been earned by entering three figures in the bank books for three accounts. This contributes to get the Châteauguay taxpayers into debt.

The same conditions prevail in all cities and school boards of Quebec and other Canadian provinces.

The creation of credit money by banks is the finest legal racket in the world stifling every public body.

[Mr. Rondeau.]

In India people starve and worship sacred cows instead of eating them. In Canada, we are crushed under the burden of public debts while worshipping the golden calf and Mammon.

Even though we believe that our civilization is much more modern and superior to that of India, we are strangely like the Indians when we worship the golden calf and Mammon.

Our financial system of running into debt is a bottomless barrel which the provinces, the municipalities and the school boards are trying to fill up, but which is used to make richer all those who create money out of nothing and exploit the people. In Canada, the total public debt amounts to \$57,564 million. We therefore pay on average \$5 billion in interests per year, which means that each Canadian pays \$250 and each family \$1,000 yearly.

If we passed the motion put by the hon. member for Champlain, we would avoid all those payments and Canadians would save \$5 billion per year in interest, the price of entering figures in bank books.

A few months ago the Quebec Autoroutes Authority said in its report that in the province of Quebec, after 400 years, there are only 155 miles of highways which have cost the province over \$400 million, an average cost of \$2.5 million per mile. This includes the Eastern Townships highway, 70 miles long, the Northern highway, the Laurentides highway as well as the highway connecting Montreal to Joliette.

Last year the Autoroutes Authority gave the following figures: tolls brought in \$7 million while only \$2 million in capital and \$19 million in interest were paid back. The revenue totalled \$7 million, which leaves a deficit of \$14 million for 1969 to be added to the already existing deficit of \$70 million, even after the \$400 million are paid.

But, if we could take advantage of the credits of the Bank of Canada for the highways of Quebec or of any other province, we would be able to pay for them once and for all whereas presently, we have to pay for them at least five times as it is the case for our schools. Why? Because we have no public financing system and, for that reason, we freeze the private capital in the public one. But if the Bank of Canada financed our public capital, it would allow us to use our savings to build sidewalks, bridges, highways