

Suggested Interest-free Loans

policy, they are now being told by everyone who is concerned about the problem, that it will not work and that it is unfair. If it is unfair it will not work in our society because it will not be accepted. The government has been told repeatedly that any policy of restraint must apply equally to all sectors of the economy. In a democracy, unless something is accepted as fair and workable, it will eventually have to be withdrawn.

I welcome the opportunity provided by the members of the Social Credit Party to put before this House some ideas for change, Mr. Speaker. I am glad to join with my friends in the Social Credit Party in denouncing what we think has been an insane financial attitude on the part of the bright boys of this country.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the motion now before the House, introduced by my colleague the hon. member for Champlain (Mr. Matte), clearly lays down a basic creditist tenet, which is to make financially possible what is physically attainable, in a country like ours.

Recently, the provincial Ministers of Finance met in Winnipeg to discuss taxation and monetary matters, but within the framework of our present financial system.

When we ask to make financially possible what is physically attainable, we are making no crazy suggestion, since, in the past, such a principle has been applied. I am referring to wartime or national emergency periods, as they were called. In wartime, when they were told about national emergency, people never asked whether the necessary credits existed.

When we had to manufacture guns and other deadly weapons, to enlist young people 18 years old or over, to withdraw from the consumer goods production sector 800,000 young workers during the Second World War, to provide them with clothing, food and adequate housing, we never wondered whether Canada could make financially possible what was physically attainable.

● (3:50 p.m.)

And as soon as it is peacetime, it usually takes 10, 15 or 20 years to reach a situation as the one we are experiencing now, when every province is near exhaustion, when municipalities are impotent, when several school boards can no longer pay their teachers, with the federal government suggesting as a solution: Tighten your belts, stop spending your

[Mr. Saltsman.]

money, even though the number of unemployed may increase considerably.

Mr. Speaker, because of the present financial policy, there are a total of 545,000 unemployed in Canada. In addition, more than 600,000 students are looking for summer jobs and we cannot give them any. The federal government may very well say: We are going to use 35,000 or 40,000 of them, but what about the remaining 550,000 or 600,000?

Mr. Speaker, the Finance ministers, particularly that of Quebec—that is the new Quebec Prime Minister—got back to their respective provinces saying: Ottawa has granted us \$100 million, \$50 million of which should have been turned over only next year. But what does represent \$100 million for the administration of the province of Quebec? A drop in the ocean! You could not even pay the annual interest on the provincial debt with it! And the Prime Minister was pleased to announce that he had come back to Quebec with his hands full. But the unemployed are still “filling the frame” of Quebec’s economic activity.

Mr. Speaker, the financial question is of prime importance. We suggest that interest-free loans should be granted to the public sector in Canada, namely to municipalities, school boards, provincial governments as well as to the federal government which does not have the necessary funds, even if it has the necessary authority to enact the monetary reform or the mobilization of the whole monetary system for the benefit of the Canadian people, in order to liberate Canada, the provinces and the municipalities.

As soon as we say this we are accused of wanting inflation. But when we granted interest-free credit to other countries, did this create inflation in this country? When, quite recently, the Prime Minister (Mr. Trudeau) offered Malaysia \$50 million in interest-free Canadian investments for the development of a power plant, did the Malaysians complain that this would create inflation in their country? And if the same thing were done for Quebec, Ontario or any other province, this would create inflation.

When, because of the system, the former premier of Quebec had to borrow \$50 million from the United States, these \$50 million did not exist in the province of Quebec before the loan. They were borrowed from the United States at a 10 per cent interest rate for 25 years. In 25 years, we will have paid out \$125 million in interests and we will still owe \$50 million in capital, i.e. \$175 million in all!