

ducers and the defenders of our nation are paying much more in interest and in the cost of the administration of such debt than they receive in profits (?) on investments in such debt.

We submit that there is no justification for the existence of privately-held mortgages on citizens' homes and we are prepared to show that the cost of financing the average Canadian home should not be more than one hundred dollars spread over the expected life of the home.

We submit that the prime purposes of our system of private enterprise is the development and reward of personal initiative, the maximum efficiency in production, and the liberty of individuals to do the work of their own choosing, and we are prepared to show that the satisfactory operation of our system of private enterprise entails the private financing of all privately owned and operated enterprises and the continuance of a system of private banks and private investment institutions.

We submit that the employment of a government sponsored bank or other agency, in competition with private banks, investment houses and individuals, in financing private enterprises, is *an abridgment of the democratic rights of individuals under our system of private enterprise*, and an encroachment on their fields of personal effort. We are prepared to show that such governmental agencies are highly unnecessary, and if put into operation, cannot fail to become political footballs.

We submit that a definite knowledge of the facts concerning the nature of money, and of our present system of banking are essential to a complete understanding of the underlying principles of a truly democratic system of money and banking, and we are prepared to present to your committee these basic and unchallengeable truths, together with a complete and detailed plan for the national issuance and recall of all money units necessary to the efficient functioning of a truly democratic economic mechanism for Canada.

We submit that the evident confusion among the members of the Committee with respect to the nature of money and the functions of the chartered banks should be cleared up. We are prepared to establish the facts that the chartered banks do not create money for themselves with which to buy bonds; that there can be no such thing as debt free money; that banker debt money is, as a matter of sound policy, issued against many times its face value in real wealth and consequently has more valuable backing than legal tender certificates issued against gold—it is positively not just "wind", as Mr. Slaght is reported to have termed it. That banks lend neither the deposits of their customers nor the "proceeds of those deposits", contrary to Mr. Tower's testimony, as reported; and that issuing Bank of Canada money to purchase bonds from the banks would positively not "in fact be returning to the banks money which had been placed in the banks by depositors and loaned to the Government" as was reported to have been stated by Mr. Fraser.

Post War Financing

We submit that if the National Money System we are advocating is put into operation, Canadian post war prosperity need not be dependent on exports of goods other than the surplus of goods not currently needed in the development of our vast areas, which surplus will be ample to pay for imports needed for a comparatively high standard of living, probably the highest in any land.

We can monetize our own development. If we desire a more rapid rate of economic progress than our normally increasing man-power will permit, we can increase our population at will by simply opening the gates of immigration as widely as we wish to do, having regard first to the desirability of proposed immigrants as citizens, and second, our ability to allocated to them immediately their requirements of durable goods without hardship to established residents. Providing jobs for them will not be a consideration, with a National Money