

The Address—Mr. Caouette

Mr. Caouette: Mr. Speaker, I hear my good friend from Lévis saying: "That was a great man." Here is what Mackenzie King said about credit and the setting up of a central bank in Canada. I quote:

Usury, once in control, will wreck any nation. Until the control of the issue of currency and credit is restored to government and recognized as its most conspicuous and sacred responsibility, all talk of sovereignty of parliament and of democracy is idle and futile.

That was said on June 17, 1936. It means that it will soon be 30 years that a Liberal Prime Minister stated exactly what the Creditistes have been saying for a long time in the House of Commons. The Prime Minister of that day admitted that by losing control over the issuing of money and credit, Canada's sovereignty and democracy were jeopardized.

We are in the same situation which he described at that time.

To regain for the nation what has thus been lost will continue to be the first objective of Liberal effort.

His supporters applauded then saying "Hear. Hear."

The then prime minister continued:

We believe that credit should be a social service to serve the needs of the people.

Credit is not the concern of the bankers only but is of concern to you and me.

Credit is today controlled by the great international money power.

It is Mr. King who said that.

The first step, then, is to establish a national central bank, not another private bank as has been done—

He was then talking of the Bank of Canada which had been established in 1936.

—but a government bank able to control credit according to the will of the government in matters of great national concern.

The Liberal party believes it is a public matter of direct concern to the average citizen to have a national bank to control currency and credit so that they may serve the public needs.

When the then prime minister said:

We believe that credit should be a social service—

we have only to leave out the word "service" and it could be read: "That credit should be social".

Then, everyone, or at least the Prime Minister, would have been a supporter of social credit.

Mr. Speaker, the Creditistes ask nothing illogical.

They are claiming what has been obvious for a number of years and what both Conservative and Liberal governments have known for 40 years. Some Liberals, like

[Mr. Guay.]

Gerald McGeer and Arthur Slaght, fought during the period 1934-1937 for monetary reform. At that time we, of the Social Credit party, had been asking for instance, that the Bank of Canada be used to finance our economic development as well as our provinces, our municipalities, our school boards, free of interest.

Yesterday, I asked the Minister of Finance (Mr. Sharp) whether he proposed to make interest-free loans available to provinces, municipalities and school boards. The Minister of Finance answered "no".

On the other hand, when it was necessary on September 9, 1965, two days after the election was called, to loan Jamaica \$1,625,000 without interest for the construction of a sewer and a bridge in that country, the government was able to find that amount. The loan was made for a period of 50 years, with 10 years of grace, for a total of 60 years. Taking for granted that the Prime Minister is 65, he will be 125 when Jamaica will start to repay this loan. At that time, he will be pushing daisies, but all the same, the Canadian people will be paying taxes on a loan granted without interest to a foreign country. This does not mean that we are against helping other countries. Far from it, we are happy to help them, but let us begin with our own. Let us help our own people. Our school boards are stagnating. Teachers are on strike in Montreal, Hull and throughout the province.

Some hon. Members: This is under provincial jurisdiction.

Mr. Caouette: This may be under provincial jurisdiction, but money matters lie with Ottawa. It is Ottawa's responsibility if the money is not available to the provinces, the municipalities, the school boards. This is Ottawa's baby. It is obviously not up to Ottawa to settle the strike, but it should supply the money through the Bank of Canada to ensure proper salaries for the teachers without mortgaging the school boards any further. These strikes are mostly due to the fact that taxpayers cannot pay added taxes to the municipalities.

The situation is the same in the case of municipalities. They cannot profit by winter works because they do not have the 10 per cent necessary to meet the requirements of the governments, both federal and provincial. This is true for the rest of the country.

The Cr ditistes are not asking the government to perform miracles, but rather to use our financial resources according to facts and