

Supply—Finance

and he does so at the expense of the Canadian individual. Again, I think that the minister, or the government, is going the wrong way about it and what happened two weeks ago should have served as a lesson. The hon. minister, as we saw, was ill-advised since he did not bring in anything new. He keeps on taxing the small taxpayer, the worker, who contributes effectively to the development of the country.

In order to balance its budget and thereby appear in a better light in the eyes of the public, the government has only two alternatives: to keep on taxing or to limit public investment.

Mr. Chairman, for years now we have been offered solutions which have never solved anything, but they keep going in the same direction.

During his speech, the minister told us very clearly that he had stated a few days ago that the bonds which will come to maturity in 1968 will be reconverted, that is to say they will be exchanged for new ones. That reminds me a little of those days, many years ago, during the Spanish flu epidemic when it was impossible to keep up with the burials. Old corpses were replaced by younger ones and it seemed that the problem had been solved. That is somewhat the solution the Minister of Finance is offering us: Exchange old bonds for new ones. What happens then? The bonds sold in 1959, possibly bearing interest at 4 per cent, will be reconverted this year and the government will have to pay an interest rate of 5, 5½ and 5½ per cent. That solution is not really a solution, because it might create new problems in the fiscal system and the administration of the country.

The minister seems to seek ways to get out from under, but to no avail. Suggestions are made to him from everywhere. The previous speaker offered a few. I must say immediately that I am opposed to the suggestions of the N.D.P. member. He urged the minister to implement the recommendations of the Carter report, that is taxing corporations instead of taxpayers or workers.

At first glance, that seems a very good solution, from the direct standpoint of the worker; however, very few realize that every cent paid in taxes by corporations comes from the consumers' pockets. It is well known that taxes paid by businessmen and corporations come from the taxpayers' pockets; again it is the consumer who has to foot the bill.

The New Democratic party member has also suggested that government bonds, either

[Mr. Laprise.]

federal, provincial or municipal should be exempt from taxation. There again, Mr. Chairman, that would be an incentive for the public to invest money, while savings should be directed mostly to private enterprise.

We rightly complain that Americans are in control of 75 to 80 per cent of our industries, our trade, our business. This situation would only worsen if the suggestion made by the spokesman for the New Democratic party were to be followed. I think we should do the opposite and allow the savings to be directed toward private enterprise in order to recover control of our industries, our trade and our business.

That is why the Ralliement Cr ditiste, which is quite the opposite of state socialism, proposes that the Bank of Canada finance without interest all public bodies, namely, the federal and provincial governments, municipalities and school boards—

Mr. Schreyer: This is financial socialism.

Mr. Laprise: No, it is not.

In this way, Mr. Chairman, savings would be directed towards industry and private enterprise, and Canadians would become the owners of their businesses, their industries and their undertakings. It might take a few years, but it is the only way to regain control of our country, of our destiny, without having to submit to foreign influences.

The minister is always wondering where money is to be found. If he feels advisable to confine himself to Bill No. C-193 so long as other proposals are not submitted to him, I suggest that Social Credit has offered a solution a long time ago. He finds it unsuitable, but he forgets to propose anything better.

He proved once again this afternoon that the existing capitalist system is obsolete. We are not suggesting that he replace it entirely; we are merely saying that it should be reformed and put in order, because the present system is disorderly.

If the minister had implemented the suggestions that Social Credit has been making for many years, he would not be at a loss to balance his budget and to administer the nation's business, since he would have sufficient revenue. He would have enough economic and financial power to administer government affairs appropriately and to encourage investments as needed for the country's development.