

Suggested Interest-free Loans

Put \$5 billion next to another \$5 billion, Mr. Speaker, and let them sleep together for a year, and as there is no such thing as male or female dollars, bringing together those two amounts of \$5 billion for a year will never generate little ones twelve months later.

Whenever the banks lend \$10 billion and request to be repaid \$11 billion, they create in a year a billion dollar debt at the expense of all public bodies, a debt mathematically impossible to repay over a short or long term period.

However the banks will accept part payments and will refinance the balance under the same conditions. If you owe \$11 billion on a \$10 billion loan and pay back \$5 billion, you still owe a balance of \$6 billion. Yet, you only have in fact \$5 billion of the original amount borrowed.

So you borrow again, at every government level, you borrow again to pay back part of your old debts; you borrow let us say another \$14 billion for the following year. You then owe \$20 billion, for the banks will refinance the first \$6 billion you owe them. Total loans then amount to \$20 billion, at 10 per cent, which means that in another year you will again owe \$22 billion while having received only \$20 billion.

Because money does not make little ones, because it has neither hair nor life, it cannot multiply itself.

Banks, by creating credit out of nothing, ask that more money be paid back to them than they have put in circulation through loans, create a system of perpetual and pyramidal debts which society cannot possibly pay. That is what crushes public bodies.

Today, more than 50 per cent of all public income is absorbed by taxes of all kinds: municipal taxes, school taxes, federal and provincial taxes, to pay the interest on unpayable debts. Indeed, fifty per cent of all our taxes are spent solely on paying the interest on the public debts.

That is why it is stupid, archaic, obsolete and criminal, not to accept the motion of the hon. member for Champlain (Mr. Matte), so that the federal government, through its own financial institution, the Bank of Canada, would issue credit instead of the banks, and put it interest free, at the disposal of all public bodies.

With your leave, Mr. Speaker, I would like to table a chart of the public debts, including

those of the federal government, the provinces, the municipalities, and the school boards.

[English]

Mr. Deputy Speaker: I must point out again that although there may be precedents for this it is a practice against which I have felt obliged to caution. It seems to me that the practice of hon. members seeking to include tables in *Hansard* might be open to abuse. Having said that, I am prepared to put the question to the House. Is there unanimous consent?

[Translation]

Mr. Rondeau: Thank you, Mr. Speaker, I thank the—

Mr. Gauthier (Roberval): There was no unanimous consent.

[English]

Some hon. Members: No.

Mr. Deputy Speaker: Apparently there is no unanimous consent.

• (4:40 p.m.)

[Translation]

Mr. Rondeau: I am sorry, Mr. Speaker, that my colleagues seem to be afraid of hearing about the debts we are facing, because those figures were supplied to me by the Minister of Finance of each of the ten provinces of Canada.

I would like to put on record the official documents in my possession from each of the provinces. According to this chart, which gives a frightful picture of our public debts, the provinces owe \$9,299,409,860. The municipalities with a population of over 5,000 people owe \$6,502,696,257. The school boards owe \$3,744,760,945. The total debt for the municipalities, the provinces and the school boards is \$19,546,830,062.

According to the latest statistics in the budgetary papers dated March 12, 1970, the federal debt totals \$38,013 million, for a grand total of \$57,564,830,062 for the federal government, the provinces, the municipalities and the school boards, without mentioning the debts owed by municipalities with less than 5,000 population.

A look at the budget of Quebec municipalities for 1967-1968 and at the statistics reveals that several municipalities must earmark over 65 per cent of their budget for the payment of interest on the debt.