

cost, and this money reimbursed to foreigners. And who repays these loans? The Canadians, always. Of course, Canadians must be taxed three or four times more than necessary, because money costs three or four times more than it should normally.

The Creditiste system does not advocate a procedure that is different from the one I just described, except that it takes into account the solvency of the public, and the principle that public enterprise must be publicly owned and private enterprise privately owned.

According to the Creditiste system, the Bank of Canada would issue new credits at an interest rate lower than 1 or 1½ per cent. This money would be used, as under the present system, to pay the contractors, materials and labour.

Once a project is completed, taxpayers keep being taxed but according to its actual cost. So they are taxed according to the value to the depreciation rate of the project carried out, whether it is a school, a road or a bridge. Furthermore, the government is reimbursed gradually, according to a depreciation rate over 20 or 25 years.

When the government receives money under the present system, it pays it back to foreign countries, its creditors. Now according to the Creditiste system, those amounts would be handed over to the Bank of Canada in order to maintain a balanced economy, avoid inflation and levy taxes according to actual needs rather than to pay interests to creditors.

The taxpayers would benefit from a new project and we would gradually get the Canadian people less and less into debt.

In the case of the CNR, we pay \$70 million to foreigners every year, not on the principal but in interests. Although we are paying off the capital, the deficit is increasing from year to year. Every year, it costs more to operate the CNR, although they provide fewer and fewer services for want of funds.

On balance, the present system satisfies neither the government, nor the CNR, nor the taxpayers, nor the members of this House. Yet, the system is maintained and attempts are made to find some solutions in this great darkness. Some Liberal members speak of the Duplessis regime as the time of great darkness, but I say to them that under the present economic system of which they made themselves the accomplices, they are in darkness, especially if they refuse to admit what the

Provision of Moneys to CNR and Air Canada

Créditistes tell them: that what is public must be financed through public funds, what is private, must be financed through private funds.

To me, this appears reasonable and deserving of serious consideration. Let us not forget that the impracticability of the Creditiste system has never been proved.

As far as I am concerned, I persist in believing that this is the solution, because if we want to provide our country with a modern railway and communication system that meets the requirements of a modern country, we must review our financing system.

It is difficult for me to understand the following fact: The members of the House and the Canadian people in general are asking themselves several questions concerning the improvement of our transportation, broadcasting, taxation systems, etc. However they do not dare reform the monetary system. They are ready to make sacrifices and to invest \$15, \$20, \$30 or \$50 million on royal commissions to inquire on matters as varied as pilotage, bilingualism, taxation, etc. They would willingly make every effort to improve a lot of things, but one thing is forgotten, purposely, I think, and that is the monetary system.

Improving taxation, for instance, will improve the economic situation and help to check inflation.

Mr. Speaker, I say the present situation is ridiculous. How can one speak of taxation when there is no money? You cannot have one without the other. That is a truism.

Why then impose restrictions, when it would be so easy to tackle the monetary system directly? All that is needed, is for the government to be convinced of the necessity of a monetary reform. Indeed it should order an inquiry, to prove the merits of our claims.

I gave the financing of the CNR as an example, because in fact it is a scandal. Personally, I cannot join those members who are willing to vote those amounts. I cannot support this bill, simply because voting those amounts without taking into account its economic and monetary implications, knowing beforehand that the services will not be improved, would only make me party to getting Canadians deeper into debt.

From the discussions and consultations I have had repeatedly in the riding of Lotbinière with my electors, it is obvious the