

*The Budget—Mr. Rondeau*

Our continuing economic troubles have their direct cause in our monetary system, but the Minister of Finance takes his time before repairing the cracks. His economist advisers will blame everyone else but the national system, but the Minister of Finance will listen to nobody else. He will go on fooling around, with the same results. Because economists keep on producing the same causes, he will go on repairing the same results of the present financial system, an obsolete one, without ever going to the roots of the evil.

The cause of all the economic unrest lies in our present financial system, but the hon. Minister of Finances has never dared to propose a financial or monetary reform. He accepts the present monetary and financial system as a fait accompli, as if it was a divine creation. He seems to consider that our monetary and financial system should never be changed or improved.

However, everything has changed in terms of techniques, in terms of science, in terms of productivity and this is true in every area. Progress and changes follow one another and are necessary but the hon. Minister of Finance maintains the old and vicious monetary system of the 19th century and does not even dare to make changes as the authority of those who control credit instead of the government is such that one is even not allowed to question the biggest racket in the history of our supposedly free world, this racket by which our credit remains in the hands of a private or banking monopoly which today controls also our monopolized production system. In Canada, our goal is not the free production system anymore. We live in a monopolistic production system. The free enterprise system means in the 1974 context that monopolies control our production. Private enterprise has disappeared because it was stifled by monopolies with the help of governments and today we live in a free enterprise system. If we are to go backwards, toward the best production system in the world, private enterprise, we must first, Mr. Speaker, create a National Credit Board. All kinds of boards have been created up to now, but the more important one in our situation of inflation would be a National Credit Board so that credit would be at the disposal of society and not society at the disposal of credit as it is presently the case.

Once credit is at the disposal of society, monopolies will no longer be able to strangle others through credit, as was so often the case in the past, when many private enterprises went under the control of monopolies which are in turn controlled by the chief of them all, the credit monopoly.

I hope that the Minister of Finance will read again tomorrow this part of my speech to find out how such a National Credit Board could operate. Its main function would be, first of all, to maintain the volume of money and credit in circulation at a level where the whole population could buy at fair prices all goods which are offered on sale and this, without any risk of inflation or deflation.

Mr. Speaker, as long as there is no National Credit Board, people will juggle with prices. The lack of purchasing power in relation to production will become increasingly obvious.

It would provide the Bank of Canada with the necessary credits for its administration, and the credits needed by

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municipalities and school boards in general, and by all the developments requiring joint capital, provided there are production possibilities and needs. The loans would have to be paid back to the extent of the depreciation of the corporate capital thus created. Finally, it would allow the reduction and eventually the clearing of the public debt. The Minister of Finance has said nothing in his budget speech, did not have a word about the lowering, the disappearing or eventually the payment of the public debt.

The duties of the Commission would include establishing an accounting system indicating the assets and liabilities of Canada, the appreciation or depreciation of goods and services, using for this purpose the services of the existing numerous statistics offices or those which would be established, in order to measure at regular intervals the increase in real wealth in Canada and the additional amount of buying power which would have to be distributed corresponding to the real increase in the wealth thus generated.

When the economic stability is insured through a balance between productivity and consumption by means of a production-based credit which will enable production to meet consumption at all times, then and only then the present economic defect shall disappear whereby the distribution rate of the purchasing power for a certain product is always less than the total cost of pricing which creates a constant and cumulative lag between total costs, that is prices, and incomes, that is the purchasing power. The economic unbalance is fundamentally caused by pricing and that unbalance is inflation.

Mr. Speaker, this Minister of Finance or his predecessors should have fired a long time ago the economists around them whose job is to protect the present system, because they are at the service of the people's exploiters who have paid for the establishment of the London School of Economics where economists are trained in large numbers in order to make sure that their system is maintained. In this so-called place of high learning, the London School of Economics, they are taught how to mend the holes of the present financial system and they are brainwashed not to look for economic and social wrongs in the monetary "basement" controlled by their bosses who thrive on the perpetual debts of Canadians and others.

Mr. Speaker, given the economic realities of 1974, this budget is the sign of financial incompetence, perhaps not directly on the part of the minister but certainly on the part of his economists.

In this budget, the government shows a great nervousness towards the future, because it already feels that the "basement" of the economic structure of Canada is unsteady, and indication of a government that does not know where it is going and feels that recession already has a stranglehold on the country.

● (1650)

This budget is evidence that the finance minister may have good intentions, because in trying to avoid a worse evil, an economic recession, he proposes measures that are to the people who are writhing under inflation no more than Lazarus' drops of water on the tongue of the bad rich man in hell.