

Suggested Interest-free Loans

the bridge may be entrusted to the lowest bidder if he is competent. Considering finance as a reflect of reality, a lower cost means less consumption, less materials, time and energy. The more finished goods a country gets with a minimum amount of raw material, the richer it becomes.

Let us suppose the member for Chambly (Mr. Pilon) retires as a member of Parliament to start a business and gets the contract for the building of the proposed bridge. He wants \$500,000 to carry out the project. Where will the government get this amount to pay the contractor? It should not worry about it. Finance is not a matter of administration, it is a matter of book-keeping. The working of a Créditiste financial system presupposes the setting up of a book-keeping agency. Let us call it the provincial Credit Office since provincial finance is concerned. The head office is in Quebec, but the Office has a net work of branches according to the needs, more or less like the banks with their head office and their branches.

The branches deal with the local producers and tradesmen and they send their reports to the head office as the banks do. Who will appoint the accounts in charge of the management of the system? The government, since it is a government agency. The appointment cannot be made elsewhere, but once the commissioners have been chosen the government should not interfere with their operations.

In the name of the community the government sets the goals which are determined by the act creating the Office. But it is up to the accountants to carry out the necessary operations in order to achieve these goals according to production and consumption, to the wealth that comes and goes.

It is more or less like the judicial system. The government enacts laws and appoints judges, but it does not interfere with the convictions. Judges are bound by a legislation which they did not make and by actions which they did not make either. Judges could even hand down judgments against the government which appointed them.

This is what the credit board would do. It would not dictate what to produce or what to consume, but would simply record the results. Then, the accountants would draw conclusions on a mathematical basis, according to the objective drawn up in the legislation creating the Board.

[Mr. Godin.]

• (8:20 p.m.)

1. The Bureau should create and cancel credit money in relation with the production and the disappearance of wealth;

2. Periodically credit each citizen a dividend guaranteeing him a share of the assets of his country;

3. Periodically adjust the retail prices paid by buyers, according to the relation of the global consumption to the global production from time to time.

To come back to the bridge: the Bureau would therefore not decide whether or not a bridge is to be built, nor for what amount. But the Bureau, and not the government, would be responsible for financing the bridge as it is built, since in the system under study, finance is but accounting. The contractor for the bridge, the former member for Chambly, could dispose of the required funds to pay the bills and salaries throughout the undertaking. In this case, he would receive his total payment, \$500,000, upon handling over the completed bridge. But he could also need advances to pay for material and labour. In that case, very simple: he goes to the Credit Bureau.

Let us suppose the contractor takes delivery of cement, wood, steel, for an amount of \$25,000; all he does is present his bills to the Credit Bureau. The bills prove the existence of wealth, since it has even been delivered. The Bureau does not have to make an estimate of the value of the material. They see the bills and create corresponding credit on the basis of that wealth; \$25,000. They give that much credit to the contractor who uses it to pay the producers of wealth.

In fact, a loan on demand is granted the contractor, a loan without any other guarantee than the wealth produced and without interest. Why should interest be charged? Why should a fine be imposed on those who produce wealth? While the bridge is being built the contractor can get the necessary credit up to \$500,000. Let us assume that the contractor could get advances amounting to \$225,000. When and how is he going to pay that back?

When the bridge is built, the contractor has it approved by the Department of Public Works. Once the inspection is over and the bridge has been approved, the minister gives to the contractor a certificate showing that he has delivered a \$500,000 bridge to the province. Then the contractor presents this certificate to the credit office which, on behalf of the community which received the bridge, gives the contractor a receipt for the advance