

Mr. Moulton carried on his study on how the needs of Americans were being met. He gave some diagnostics in a study entitled: "America's capacity to consume", while the one already referred to was entitled: "America's capacity to produce".

• (3:30 p.m.)

He said it was a matter of lack of purchasing power. There is the rub.

We are short of money to buy the goods offered for sale. Everywhere in Canada, stores overflow with goods of all kinds. There is plenty of clothing to clothe all Canadians, there is enough food to feed all Canadians. There is no lack of lumber, nails, workers or contractors to build suitable and salubrious homes for the whole population.

And yet, Mr. Speaker, a great many of our fellow-Canadians are deprived of all these things and must be satisfied with the scanty pittance offered by the welfare services or the Unemployment insurance.

The government tells us: "Get ready to tighten your belts further." We will see that happen at the beginning of 1970.

When 1970 rolls around, we shall ask our poor people to accept worse poverty, while we shall continue paying tribute to financiers without grumbling and without objection to the shameless exploitation of the Canadian people by financiers who have government authorities under their thumb.

Mr. Speaker, in 1968, the federal debt reached \$32,126 million. This year the Canadian government will pay \$1,600 million in interests only for the service of that debt, that is over 10 per cent of the total national budget.

In 1965, the debts of the provinces amounted to \$12,642 million, the municipal debts added up to \$6,597,437,000. The debts at the three governmental levels totalled \$52,165,437,000 and on that aggregate, in interests only, we had to pay the sum of \$2,009,240,000 in 1965-1966.

We do not ask those people to tighten their belt. No sacrifices are demanded of them, but rather of mothers, fathers, workers, farmers, producers. We are sacrificing the low-income workers. We crush them with taxes, while with a stupid complacency we bow to this system of national banditry which plagues the population.

Mr. Speaker, we sincerely believe—and we say so in this house—that it all boils down to purchasing power. Let me read an excerpt

Distribution of Goods and Services

from "America's Capacity to Consume" by the same author:

[English]

The unfulfilled consumptive desires of the American people are large enough to absorb a productive output many times that achieved in the peak year 1929. Even in lines of basic necessities great wants among the masses of the people still go unsatisfied. The trouble is clearly not lack of desire but lack of purchasing power.

[Translation]

That is the problem, and the government is afraid to face it. In the conclusion of "Increase in salaries or decrease in prices", Moulton confirms his diagnosis, and I quote:

So, the fact that the purchasing power of the masses is totally insufficient to absorb, on the basis of existing prices, the production of our national economy is a clear indication that this automatic distribution of wealth has broken down somewhere and, as a result, economic progress is slowed down.

That is exactly what is happening in Canada.

Mr. Speaker, the members of the Ralliement créditiste are no fools when they suggest that the government should make use of the Bank of Canada to increase the income and the purchasing power of the citizens, so that they may be able to buy the goods of which there is an abundance in this country.

This year, according to forecasts, the national product will be around \$70 billion and this will allow Canadians to earn around \$52 billion.

There will still be, Mr. Speaker, a difference between Canadian production and Canadians' incomes. It will amount to about \$20 billion; the government does not realize that.

When we ask for a distribution of supplementary incomes through national dividends, inflation does not come into the picture. It is not the Social Credit that causes inflation; it is the present system. Today, a dollar borrowed by the government is expected to swell to twice its size, to be worth two dollars; it is mathematically impossible.

One day I gave an example in parliament. According to official data, the building of the Jacques-Cartier bridge in Montreal cost \$18 million. We paid \$20 million interests on that bridge and we still owe \$14 million. That is inflation.

The Secretary of State (Mr. Pelletier) gave me this answer on television: "Yes, but see how useful the bridge is". The trucks can cross the bridge, carry heavy boxes, filled