

Family Allowances

Mr. Speaker, three years ago, before Mr. Allende was democratically elected, he said exactly what members of the New Democratic Party are saying in this chamber. He said exactly what René Lévesque is saying in Quebec: Profiteers! We shall get rid of them so that the people may own their economy, their national heritage! The people have become the owners of their national heritage in Chile, but see where they stand today, after only three years. And I suggest, Mr. Speaker, that if ever—I hope that this will never happen—someone like Lévesque came into power in the province of Quebec, we would end up exactly where Chile is today, in September 1973.

• (2040)

It is all very well to arouse popular feeling against the haves, but it is easy to get to the point where people do not own anything anymore. This is what they have done in Chile.

I said yesterday that I was shown a 3,000-foot movie made by the National Film Board; it must have cost at least half a million dollars. They took union leaders from Rouyn-Noranda to Chile, two years ago, on the occasion of the first anniversary of the coming into power of Mr. Allende, to say how miners were better treated in Chile than in Rouyn-Noranda, Val d'Or, Chibougamau and Noranda. And I learned, Sunday night, that Chile had just shipped 22,000 tons of copper ore to be processed in Noranda by some capitalists, because they are unable to process it in Chile.

Mr. Speaker, it is easy for René Lévesque and his allies, his assistants, his "sheep", to say that the rest of Canada is no good, that the Anglo-Saxons are mean and should be crushed. It is easy also for the New Democratic Party to say: Let us crush the bad Americans because they exploit us. At the same time, the ministers of finance in the socialist provinces, in British Columbia, in Saskatchewan and in Manitoba spend their time in the United States begging to borrow money from American moneylenders. It is easy to attack people from whom you beg.

Let us be careful, Mr. Speaker. There are some weaknesses, yes. There are some things that we should correct, yes, but let us not destroy what is good in our organization.

I was saying a moment ago that the Chileans wanted to abolish private enterprise completely and they did it; they nationalized. They talked about inflation three years ago. If we were to go there today, we should see that inflation is at least ten times worse than in Canada.

Mr. Speaker, as regards the bill now before us to increase the purchasing power of Canadian families by way of family allowances, I hope it will indeed increase their purchasing power, but I know that the whole program introduced by the government will be financed through taxes, which means that again there will be price increases.

And as long as we follow that pattern, Mr. Speaker, the cost of living will not stop rising. A mechanism, a method has to be found so that all Canadians will get additional purchasing power that will not be integrated in prices, and the only way out is through new credits allocated to the people, credits which are not integrated in the prices and which really increase the purchasing power, thus assisting

in effectively fighting unemployment, the rise in the cost of living and inflation. Nobody believes in that yet and neither do the Liberals, the Progressive Conservatives or even the New Democrats.

The NDP suggests lower interest rates. Mr. Speaker, no matter how much we may lower them, if one dollar is created and if it is required that it dies at \$1.05, \$1.07 or \$1.08, that is a mathematical impossibility, no matter what the interest rate on new credit.

I do not refer to existing money. If a Liberal member lends me \$10 and I give him back \$10.50, he is lending me something he possesses. It is a normal thing that I compensated him for the help he provided me, but that is not what the banking system does. Banks lend credit that does not belong to them and insist on interest rates of 10, 11 or 13 per cent. This is inflation! This is an abuse of authority. This is the banking legislation as passed by the present government.

I remember that three years ago I was attending a sitting of the Committee on Finance, Trade and Economic Affairs, to which representatives of Canadian Bankers Association were witnesses. At that time, an economist of the Bank of Nova Scotia said that if we eliminated the ceiling of 6 per cent on interest rates, we would enable banks to loan more to small people who need credit so that they could live and get out from under. I then said to the committee members: This is wrong, this is a lie. You will not be more helpful to poor people but you will have greater control over the Canadian economy.

Let us see, Mr. Speaker, if this is not happening today. The banking system has more authority than ever; the Bank of Canada has become a real puppet in the hands of financial institutions and the government is the servant of the whole system.

The government is powerless. The right hon. Prime Minister (Mr. Trudeau) and the Minister of National Health and Welfare (Mr. Lalonde) both want to help the people, but they cannot do so because they lack financial means. The minister is aware of that fact. He knows perfectly well that I am right.

Somebody said earlier that the minister was young; I agree and I wish he were young enough not to be lost forever. I also hope that someday the minister will realize that concrete steps must be taken not only in the field of finance but also when it comes to expanding the monetary mass in Canada. We must tally up figures that reflect the resources of this country. And when figures are put on the actual resources in Canada, there will be no stinginess with family allowances, with assistance to provinces and municipalities, and with old age pensions at 60. There will be no more stinginess with the pensions of retired people and those on fixed incomes. But we will have latitude on the basis of the tremendous physical opportunities we have in Canada.

Mr. Speaker, the minister does not ask himself, can Canada produce enough to guarantee \$20 or \$25 a month the children of this country? No, he knows the production is there. Can Canada produce to give pensions of \$200 a month to those 60? The minister is aware that Canada can produce. This is so true that all our stores across Canada, our industries, are filled to capacity. We have discount

[Mr. Caouette (Témiscamingue).]