

Bank of Canada Act

holders. In 1973, we could save in interest alone on the public debt more than \$2.260 billion, 90 per cent of which are not paid out to Canadians but to foreigners. The Bank of Canada could redeem obligations and the money which would be paid to their holders could be used to operate the Canadian economy, to help private enterprise which is being slaughtered by usurious interest rates.

Mr. Speaker, this would enable us to save, 365 days a year, \$6,191,780 in interest per day on the Canadian public debt alone.

In addition to that, with the amendments proposed, the Bank of Canada could do the same with regard to the provinces. Indeed, when we look at the debts of provincial and territorial public administrations to 31 March 1970, we notice this:

Short-term bank loans	\$ 47,384,000
Bills payable	734,073,000
Loans and advances	527,181,000
Treasury bills	127,949,000
Savings bonds	190,021,000
Bonds	10,885,052,000
Notes	56,387,000
Deposits and other liabilities	854,780,000

Thus, the liabilities of the provincial governments total \$13,422,827,000. This is not the whole story. The provincial governments have also endorsed debts from some provincial agencies. Such debts have been entered into by municipalities, school boards or Crown corporations such as the Quebec Hydro.

On March 31, 1970, provincial endorsements for these various public organizations amounted to \$10,475,101,000. These figures are taken from annual report No. 68-209 on the provincial administration finances published in June 1972. The cost of the federal debt is \$2.260 billion; the cost of provincial debts is \$1,195,300,000 and the total cost of the debt, in Canada, is \$3,455,300,000, excluding the interest paid to municipal and school organizations as well as to Crown corporations.

Now, these amendments to the Bank of Canada Act would actually enable this Canadian finance institution to play its role of financial organization and would also enable the Canadian government to act as a sovereign government through its own money, its own bank, its own credit, along with the provincial governments which would have Bank of Canada branches available so as to finance themselves within their physical possibilities because the Social Credit theory is that anything that is physically possible should be financially possible. And this can be achieved only by using the Bank of Canada which is the foremost Canadian financial institution and which would be given back its true role. Today it is a ghost institution which was created in 1935 by the then prime minister when, with a view to obtaining the votes of the western Creditistes, he promised in a speech pronounced in Saskatoon in 1934 to create a national bank to serve the interests of the federal government and of the provinces. But, until now the Bank of Canada has been a ghost institution which has not yet played its role because since 1935 the interest rates have increased, the debts have increased while Canadians and their governments have sunk into ever deeper financial slavery towards foreign financial institutions.

This is why, Mr. Speaker, some international caucuses are now considering a world monetary reform. Today, at the international level, we have reached a dead-end. Over the years, people enjoyed poking fun at the Social Credit party. Now, I think the time has come to put aside the old gadgets and the outdated financial formulas that led us nowhere except to debts, taxes and loans bearing usurious interest rates. Such formulas have reduced the Canadian people to such a state of financial slavery that we cannot see the day when we get out of it. We must turn aside from the beaten tracks and adopt modern and scientific financial solutions placing the Bank of Canada in authority above the other financial organizations, above those financial companies which now control the provincial governments and the federal government and which, as they administer the debts of the whole country, in fact create Canada's monetary policy.

• (1720)

Mr. Speaker, if the Bank of Canada were restored to its real function, Parliament would again become what it should be, a sovereign Parliament possessing a sovereign currency, which does not need foreign countries for monetary purposes but does need them for trade. Unfortunately we are now slaves and beggars in regard to foreign countries. Cr ditistes do have a solution and I ask those who claim that we never produced a valid, serious and concrete solution to this problem to consider Bill C-14 brought forward in this House by the hon. member for T miscamingue (Mr. Caouette) and now before us, which does offer such a financial solution, opening the gates to economic prosperity and financial independence of Canadians, of the federal government and of provincial governments.

Mr. Jacques-L. Trudel (Montreal-Bourassa): Mr. Speaker, I listened attentively to the hon. member for Shefford's outline of a theory which is going to solve all current problems. Whereas some twenty countries signed an agreement last year and are still seeking a solution, he claims that the Cr ditistes have found a magic formula, embodied in Bill C-14. Now, none of those countries has found such a solution, such a magic formula.

Mr. Latulippe: That is not the concern of other countries. It is ours.

Mr. Trudel: I also noticed that the hon. member did not mention the 1949 agreement, still in force in 1972.

I see, Mr. Speaker, that several Cr ditistes want to speak at the same time. Actually, they would have been better advised to settle the matter earlier, instead of interrupting me while I have the floor. I not only did not prevent the hon. member from speaking, but I listened attentively to what he had to say. Now, I would ask them to kindly listen to me for a few minutes and allow me a few remarks about the magic formula which has just been expounded to us.

They said they wanted to help the provinces. I think all hon. members agree on that. But before wanting to help some thought should be given to the plans already existing and to which the provinces have participated. The hon. member for Shefford (Mr. Rondeau) took great care not to mention them and merely advocated instead the