

Alleged Failure to Improve Economy

\$1 billion to India, and we are not charging any interest. I agree that we have to help these people. But why not start by helping our own cities and towns, provinces, school boards? They all have problems of their own which are just as serious as those that do exist in Europe, in Africa, in Latin America, or in any other country.

Mr. Speaker, it is too bad that the government does not take our suggestions more seriously. They have tried everything to fight inflation. Did they succeed? No! In fact, prices have not come down in Canada. What about creating new jobs for manufacturing new shoes or clothes? There is already too much of all that. Trade agreements covering textile products are at this moment being negotiated with Communist China, for instance.

We go and get textile products there, while we cannot even use those which we produce. We meet with the same difficulties in every area. Why? Not because people have too many goods at home, but because they lack purchasing power. If these people had an opportunity to buy products, there would be no farm machinery surplus at Massey-Ferguson's, in Toronto, for instance, where they are laying off 2,700 workers who were employed by this company for 20 to 25 years, on the grounds that their inventories are too high and they have too many machines in stock.

It is true that Massey-Fergusson has too many farm machines in its yards or in its warehouses. But let us visit the farmers of Canada, to see whether they have too many machines. They cannot afford to buy any. So they just exist, they just live sparsely year in, year out, week after week, month after month, by resorting to small expedients.

Farmers do not have the machines they need and Massey-Fergusson has too many. Then the government suggests its solution: perhaps we could help you out in giving you so many dollars per job created to produce more machines, to increase inventories and to step up production. It has been announced that this year the Canadian national production will be \$90 billion and that the national revenue will be \$65 billion.

However, when will we be able to buy \$90 billion with \$65 billion? This is where the problem lies and the government does not want to solve it. They are trying to fool us with bills respecting marketing and industrial promotion. They overlook or forget to help the consumer who will make the industry viable through his purchases. When consumers buy products, it is clear that stores will look to industries for supplies, and this will create jobs. This will be a better deal for the Minister of Regional Economic Expansion because products will sell.

Mr. Speaker, we suggest that the financing of the public sector of the national economy should be done through interest free loans from the Bank of Canada. Mr. Rasminsky should stop twiddling his thumbs and singing us the same songs: This is inflation, this is unemployment; this is inflation, this is unemployment, tighten your belt; things will be tough, tighten your belt!

While he is telling us: Tighten your belt the Minister of Finance tells us in a book entitled officially: "How

[Mr. Caouette.]

Your Tax Dollar is Spent"—yours and mine, Mr. Speaker—and I quote:

The federal government will give approximately nine cents of your dollar in cash payments to the provincial governments.

Canada's public debt amounted to \$38 billion on October, 1970, and the Minister of Finance has forecast new government borrowings of \$1.9 billion.

A total of \$1.9 billion will be borrowed during the 1971-72 fiscal year.

I finish the quotation:

These borrowings will cover an anticipated \$600 million deficit in the fiscal year, and a \$1.3 billion net cash requirement for non-budgetary investments such as housing, transportation, and loans to developing countries.

Interest free loans, it says so in the book. I mean the \$1.3 billion that do not appear in the budget but that will be spent in order to assist underdeveloped countries.

• (4:20 p.m.)

I read further:

Paying the interest and other charges on this debt is going to cost \$1,995 million—

That means \$2 billion paid in interest on the national debt.

The Minister of Finance adds:

This interest payment is almost wholly a return on investments in Canada by Canadians.

Where are the Canadians who will get a part of that interest payment? That is a question I ask at public meetings: Those who get interest from the government, please stand up. Out of 1,000 or 2,000 people, not even one stands up.

I could even ask that here in the House of Commons: Where are the members who get interest from government bonds? The minister will agree with me that not 10 per cent of them do. Where do those loans come from?

Mr. Marchand (Langelier): From all those who have purchased Canada Savings Bonds.

Mr. Caouette: The minister mentioned the Canada bonds which have been deposited as collateral with a chartered bank which is cashing in the interests solely to the benefit of Canadian capitalists. The two million unemployed in Canada—10 per cent of the population—what do they get from these interests? It is everywhere the same thing. But once again the chartered banks are not involved. When we borrow from the United States, the interests are paid to American businessmen, a fact the minister knows as well as I do. Most of the interests are paid by the Canadian government and this has been lasting for a long time.

In any case my time has expired, Mr. Speaker, and I am more convinced that the Cr ditiste proposals should not be laughed at for they deserve serious consideration on the part of the ministers and if someone has some-