

*Monetary Proposals of Social Credit Party*

finance companies for periods of three, four or five years, after they have mortgaged their salary for five years to come, after they have spent that borrowed money to buy goods, the shelves in the stores are as full as ever. Production is almost unlimited whereas spending power is very restricted. The motion introduced by my colleague for Shefford (Mr. Rondeau) is therefore quite clear. Some may still laugh at it now and this may go on for a few more years still, but it will not last forever. In the end, they will understand it is time to bring about a thorough monetary reform instead of exchanging small nickels for big ones.

The motion reads as follows:

1. financing of public funds by credit advances at a nominal cost by the Bank of Canada to be repaid at the rate of depreciation of the works achieved;

2. distribution of a national dividend to each Canadian citizen in order to ensure, out of the Canadian national product, at least his minimum living expenses.

In 1962, whether on television or at public meetings I urged the government, to try an experiment and to distribute \$100 to every Canadian citizen. A family of five would have received \$500, a family of ten \$1,000 in buying power, through a dividend granted every month to start. This would have meant new credit of about \$2 billion to the Canadian people. After three, four or five months, we could have seen the results. Dealers would have sold their products and applied for more to the manufacturers. New industries and new employment would have been created. The government said: It is sheer nonsense.

To-day, all Canadian governments, federal and provincial, are gathered in Ottawa to discuss what? Financial matters. One province is not satisfied, neither is the other. The federal government is not satisfied, yet they all have the power to reform the financial system.

The present system is unknown. It is not understood because it was hidden to the people who believe, for instance, when they stroll on Rideau Street in Ottawa, in front of banks or anywhere else, that by opening a savings account in which they would deposit money and get in return a 7½ or 7¾ per cent interest, that this would give them security from then on.

Who are the members who know—the hon. member for Chambly (Mr. Pilon) does, as he was bank manager once—that the moment I go in a bank to open a \$1,000 savings account,

[Mr. Caouette.]

yielding a 7½ per cent interest, such an account yields at the end of the year \$75? This is what the 7½ per cent interest amounts to.

But who knows that when I open a saving account in the branch of a chartered bank, the latter, according to the federal legislation, has the right to lend 14 times more than my saving account and has the right to lend \$14,000 at an interest of 9, 9½ and 10 per cent. Let us say for example a 10 per cent interest. The bank will cash \$1,400 profits in interest on my \$1,000 saving account which I opened. This is a shameful exploitation of the Canadian people, of the individual and of the governments in our country.

Mr. Speaker, a while ago, my good friend from Waterloo (Mr. Saltsman) said that the *Créditistes* are not always kind towards the New Democrats.

I had recently the opportunity to visit western Canada with my friend, my colleague from Shefford. We went to Alberta, to Saskatchewan and to Manitoba. Now, at that time, the New Democratic Party was holding its national congress in Winnipeg. People from Toronto, Montreal, Vancouver, in short, from everywhere had met there. One evening, when we had a bit of free time, we listened to the news on television, at 11 o'clock. The leader of the New Democratic Party as well as the parliamentary leader, the member for York-South (Mr. Lewis) addressed themselves to the representatives and roundly denounced—quite rightly too—the American influence on the Canadian economy. The member for York South, shaking his fists, declared: These Americans must not take advantage of our national resources. The whole audience cheered. Everybody was convinced that these ugly Americans have too much power over us and that they should go home, while we should use our own means in Canada to develop our natural resources.

The next evening, everyone knows that the New Democratic Party forms the new government in Manitoba under the leadership of a premier who used to be a member in this house—the provincial premier agreed with the national leader and the parliamentary leader to say that the Americans were ambitious and that they controlled 85 per cent of our national economy.

However, on the next evening, to my utmost surprise and amazement—I could not get over it—I heard the Minister of Finance of the new NDP government in Manitoba state on television that he was coming back from a trip to the United States where they