

*Motion Respecting House Vote*

means tighten their belts and stop living beyond their means and even stop working, because our earning power is superior to our production capacity, which causes inflation.

In order to force the people to spend less, they must be taxed more and especially at the source, before they even receive the salary they have earned legitimately by their regular work, in the regular production of material, intellectual or spiritual goods and services produced by all the economic activities of the whole population, for the whole population, that is, for our 20,610,000 Canadian citizens.

These facts, Mr. Speaker, have been checked and can be checked by each one of us, for ourselves first of all, for our own families and also for each one of our voters: employers, employees and dependents.

Although you may find this picture black and discouraging, you will undoubtedly recognize that it depicts the present sad reality.

Mr. Speaker, this is certainly not the time nor the place to elaborate a whole course in political economy, but these few remarks show that our Canadian banks and large companies are very prosperous, while more than 60 per cent of our people cannot enjoy our production, and lack the necessary purchasing power to enjoy the decent living Canadian citizens should afford.

Now, let us see the forecasts for 1968. This is what the president of the Montreal stock exchange tells us: "The national production will reach \$68 billion, consumption \$40 billion and capitalization \$28 billion in 1968". This statement was made by Mr. Neapole, president of the stock exchange and former director of the Royal Bank of Canada. Forty per cent for capital, on 100 per cent production.

If the hon. Minister of Finance has yet to learn where to go for taxes, under his present taxation system, we tell him once and for all that we shall continue to use all available means to prevent him from taxing the gaining power or the purchasing power of workers, farmers, wage earners and other individual in Canada.

The Bank of Canada, the eight chartered banks, the 800 most important companies listed on the stock market, these are important institutions in our Canadian economy; but what is still more important in Canada, is the people, and those organizations are there only to give administrative services.

[Mr. Latulippe.]

They are only instruments, means of production and administration. We must not therefore sacrifice to them the best of our production.

So, Mr. Speaker, if one should wonder where I got this information, let him consult the brochure entitled *Monthly Review*, in which Mr. Neapole quoted the facts I have just mentioned. Capital, like work, is only a means of production, and production itself must be regulated by consumption. Why sacrifice so large a part of production to capital, even before having met the basic needs of consumption?

Capital should be taxed at least on the same basis as work is taxed. Corporations should be taxed on the same basis as individuals. That is the general conclusion of the report of the Carter royal commission on taxation. Why not take it into consideration from here on? Why postpone to a later date the fundamental conclusions of those experts on our modes of taxation?

We empower banks to create \$3,200 million in money required for production; we empower companies to set up a capitalization of \$15 billion required for production, but for goodness sake, let us not go so far as exempting them from taxes, as allowing them to recapitalize \$28 million out of a yearly output of \$68 billion, that is, more than 40 per cent, when in 1944, only 10 per cent was set aside for capitalization, or \$1,200 million out of a \$12 billion production.

In 1968, we shall earmark 40 per cent for capitalization and only 60 per cent for consumption.

Therefore, a statement on our national economy brings out its most obvious deficiencies. Since the end of the last war mostly, the amount of capital sought from banks and companies has increased to such an extent that it was necessary to sacrifice the happiness and welfare of the Canadian people who contribute to the prosperity of our banks and companies, under the direction of our governments elected by the people.

Mr. Speaker, the banks create money, the companies create capital and the governments tax the individuals to allow for even more profits and prosperity for those banks and companies which have no life, which do not exist in reality, which are only tools of production and administration of material, intellectual and spiritual goods and services for the benefit of the 20,610,000 citizens who make up our nation in 1968.