

Bank Act

the absurdity of the present financial system that the people must pay two or three times for seaways, public buildings, highways, bridges, which are burdened with an interest doubling and tripling their cost.

It would be possible, by applying this principle, to alleviate the present burden of the taxpayers for all expenditures of public capital. Through the financing of public capital by the Bank of Canada, taxes would be reduced gradually, since the interest on the fictitious national debt would no longer exist.

Then, any government could reduce taxes and alleviate the heavy burden on the Canadian people. Taxes would decrease and be limited to taxes necessary for the depreciation of public capital, which would not return to its place of origin, the Bank of Canada, interest laden. Then, it would be repaid only once and not two or three times.

Under the legislation introduced today by the Minister of Finance, we must continue to pay interest on pure and simple creation of money by a few individuals, which is contrary to the best interests of the nation.

The implementation of such a scheme would permit the progressive repayment of the national debt which now accounts for more than 14 per cent of the expenditures covered by the federal budget.

It goes without saying that under a Creditiste regime, small wage earners and low income families would be the first to benefit from a tax reduction. The first taxes that a Creditiste government would abolish would be those on basic commodities. One of the first pieces of legislation it would introduce would provide income tax exemptions for married taxpayers earning less than \$5,000 a year and for single taxpayers with a yearly income of less than \$2,500.

That, Mr. Chairman, would be the difference between a Creditiste government which would favour the freedom and the fulfilment of man and a Liberal government which binds and strangles people with chains which prevent them from disposing themselves of the fruit of their labour.

Mr. Chairman, the bill which we will undoubtedly be called upon to examine within the next few days is what I would call an example of government stinginess. It increases further the control of a handful of individuals.

The other day, I quoted the following from the encyclical "Quadragesimo Anno" which Pope Pius XI addressed to the world some 34 years ago, in 1931:

[Mr. Caouette.]

"Those who control money and credit are the masters of our lives and without their authorization, no one has the right to breathe."

We have reached the point where not only hon. members but even the public realize that the Minister of Finance and the government cannot breathe without the consent of those who control the economic lifeline of the nation. When we call for detailed reforms of our system, our opponents deride us by saying "Let us nationalize and socialize power, our natural resources, the Bell Telephone and private companies" whereas the only thing we ask the house to nationalize or socialize is money and financing. But it has to be left alone. We discuss here for months all kinds of bills, but when the interest to be paid on the national debt is mentioned, nobody dares to criticize a system which decreases the purchasing power of Canadian workers and consumers.

● (9:20 p.m.)

Mr. Chairman, nothing is said about the socialization of money. Nationalize private enterprise? Fine. But financial problems should not be dealt with.

Some people tell us: The system has always existed and survived. We cannot change it.

An hon. Member: It is a madmen's system.

Mr. Caouette: Yes, Mr. Chairman, it is a madmen's system, there is no doubt about it and it is administered by the maddest among them. That system torments individuals, human beings.

We have nothing against a bank's president and directors. We are against the power they have to give life to someone today and to put him into bankruptcy the next day.

In most cases of bankruptcy in Canada today, the main reason is—

[Text]

The Deputy Chairman: Order. I must advise the hon. Member that under Standing Order 61A his time has expired.

Mr. Langlois: Mr. Chairman, I wish to make a few observations on the resolution introduced by the Minister today and on the different propositions and intentions which he stated he had in mind.

Every ten years we have to renew this Bank Act so that chartered banks and the Quebec savings banks may continue to operate for another ten years. The Minister mentioned with some pride that the interest rate on commercial loans was to remain at 6 per