

Mr. Speaker, on March 24, that is three months later, the hon. member for Montreal-Bourassa (Mr. Trudel) made the following statement before the Board of Trade:

Inflation is about to be brought down.

Three months ago, the Prime Minister said: "Inflation no longer exists in Canada." One of his colleagues said this last night in Montreal: We are about to control inflation.

The Governor of the Bank of Canada said, a few days ago: Inflation will be worse in a few months than last year. Besides, Mr. John Young declared: I am not responsible for the high unemployment rate in this country. But who is responsible? He condemns the government for the high unemployment rate in Canada. So, this government is responsible. I agree with him, but let the government take measures to fight unemployment efficiently.

A short while ago, the Minister of Finance (Mr. Benson) said: It is easy to condemn, but quite another thing to suggest.

But we have just a suggestion from the hon. member for York South (Mr. Lewis) concerning full employment. Where can we employ 675,000 unemployed and 1,800,000 students, this coming summer? Let them make shoes, clothing, food items.

A bill was introduced recently concerning the marketing of farm products under the pretext that farmers could be convinced that marketing provided by an agency of the government, or a governmental commission, would facilitate the disposal of their products.

We are in favour of marketing, but even if we overstocked stores with all sorts of products, if the Canadian consumers have not enough purchasing power to buy all that has been marketed, these products will not be sold and consumers will find no satisfaction. That is because we do not approach their problem from the right side. We try to solve what has already been solved. There is no production problem in Canada. That is obvious. The problem is simply one of consumption.

• (4:10 p.m.)

That is the whole problem. Instead of endeavouring to finance consumption, legislative proposals are made for the financing of production, and that is done at a time when consumption is inferior to production, because there is not enough purchasing power.

Mr. Speaker, we have for a long time been asking the government to pass legislation to compel the Bank of Canada, Mr. Rasminsky and his helpers, to be at the service of each of the provinces, so that they may form a strong family. That would ensure the disappearance of the conflicts between Ontario and Quebec with regard to chickens, between Manitoba and Quebec in connection with eggs, and between the West and the East with regard to the assistance given to agriculture.

Mr. Speaker, if the Bank of Canada were compelled to finance the provinces, municipalities and school boards through interest free loans, many problems would be solved. However, when the Ralliement créditiste advocates such interest free loans, it is ridiculed.

#### *Alleged Failure to Improve Economy*

The Secretary of State for External Affairs (Mr. Sharp) has just returned from Africa. I heard him on television the other night, reply to a reporter that he had granted over there, on behalf of the Canadian government, interest free loans amounting to more than 20 million dollars for periods of 50 years plus 10 years of grace, 60 years all told, and that it would render service to India, the Congo and all European countries.

Mr. Speaker, the minister stated to the reporters: "You understand that the loans which we are granting enable them to buy Canadian products and create jobs for Canadians." What a sensible way for a minister to answer! I understand that the fact of buying in Canada will create jobs here, but we are not against helping those countries. However, with the same funds, would not our provinces use Canadian products and manpower? Would not our municipalities help create jobs, by implementing the projects they have in mind? But no! Their activity is paralyzed for the simple reason that there is no money. It goes as far as forcing a provincial premier, as the premier of Quebec did last week in New York, to beg the Americans to please come and invest their funds in Quebec!

But American money will not be brought into Canada. It is a matter of figures. We are not bright enough to make up our own figures, through the Bank of Canada, in order to finance Quebec, Alberta, Ontario and Manitoba. Why? Why are American figures so much more powerful than those of our Canadian leaders those based on the work of Canadians?

Then, there will be talk of trade. What are the Americans interested in? In knowing how Canadian money is made? Whose picture appears on one dollar, twenty-or one hundred-dollar bills? In some of the states in the Southern United States, Canadian money is not even accepted. They think it is Mexican money. They do not know what it is. Even cigarette vending machines would not accept the Canadian quarters of the Minister of Regional Economic Expansion (Mr. Marchand). They throw them back at the face of people.

I submit, and we of the Ralliement créditiste have kept repeating it for a long time, that we should try the experiment. Instead of being dominated by Mr. Rasminsky, let us spell out to him the financial policy we want. There are a lot of things to be accomplished in Canada. We would experience a shortage of manpower if the provinces could administer themselves as they wish. We would not hear from one province to the other: we pay taxes in British Columbia in order to give equalization payments to the province of Quebec. The English population is roused against the French population, the western businessmen against their eastern counterparts. We would not hear western farmers say: if we do not get enough money for our wheat, it is because too much money goes to the east. In Eastern Canada, we hear exactly the same thing.

I am sure, Mr. Speaker, that with a policy of interest-free loans just like the ones which we are granting to African countries, to India, and to other countries, we are not being stingy. We have now loaned somewhere around