

Private Bills

I will go even farther. These are facts, observations. This is where the matter stands. This is the present position of our government, the first institution in Canada which is mainly responsible for our economic, monetary and political system.

We form a government of 264 members elected by 22 million Canadians who all have the right to live according to our production capacity. We are thus responsible in Parliament for taking the corrective measures needed in our economy.

Stating facts does not mean accusing, reproaching, blaming or even judging the government. But facts speak for themselves and help us to understand the causes of a parliamentary crisis that might be nothing more than a superficial abcess yet, but nevertheless shows the seriousness of the evil of our administration in Canada.

Here is our balance-sheet for 1967. At a time when in many cases people lack the necessities of life or normal well-being, our banks increased their assets by \$3.2 billion. Our companies pocketed or constituted new capital totalling more than \$15 billion, and we want to keep on reducing the purchasing power of individuals in order to increase the profits, the capital of banks and big corporations.

Mr. Speaker, in 1967, bank assets increased by \$3.2 billion. In 1971, such assets increased by \$7,121,396,000, to reach \$54,428,406,000, namely a 14 per cent increase in 12 months.

As a matter of fact, here is a table showing bank assets:

October 31, 1970: \$46,256,652,000.

October 31, 1971: \$52,317,395,000. (For an average of \$500 million per month for 1970-71.)

November 30, 1971: \$53,147,362,000.

December 31, 1971: \$54,428,406,000. (For an average of \$1 billion per month for the last two months of 1971.)

Bank assets are therefore increasing from year to year as never before, but the income of most Canadians is smaller. When bank assets show a monthly increase of \$1 million as they did during the last two months, the assets of small businesses are reduced, and Canadians are lacking the bare necessities. But the government, despite its prerogatives, does not in the least think of controlling money and credit for the benefit of the nation.

• (1740)

Mr. Speaker, is such a weak monetary system likely to survive by raising new loans to pay up old ones? In the end, this leads to periodic massive cancellations of debts both private and public, cancellations which in turn pave the way to bankruptcy, repudiation or devaluation.

Over the last few years, we have witnessed devaluations in a number of countries. These were merely the repudiation of debts gording on bankruptcy. Our economy went through all that. Bankruptcy is a daily occurrence in Canada. In fact, we have had 2,287 bankruptcies since 1969. It is terrible to see that a country such as ours will soon be forced to devaluate its currency to survive along with its system.

As for individual and collective indebtedness, it is undisputable proof that we must improve our banking system and modify the obsolete concept of credit based on

[Mr. Latulippe.]

shortage of goods. And it is precisely on that point that social creditors maintain that the inadequacy of the purchasing power may be explained by the inability of the current financial system to supply enough currency to buy the goods produced.

Mr. Speaker, if we want to improve our economy we must straighten out our current financial system by converting our national debt into a national asset. And the Minister of Finance (Mr. Turner) is far from advocating or achieving at.

Let me state briefly how to convert the national debt into a national asset. All our consumption should be financed not by chartered banks but by a central bank or credit commission, a strictly non-profit institution and not profit-oriented as our chartered banks are. All the country's consumption should be financed with interest-free money and all private or public production should be financed by debt-free money. Thus, there would no longer be any national debt since it would be converted into national capital or assets which would then yield national interests distributed as national or social dividends.

That is how we could proceed.

Mr. Speaker, we should immediately convert the national debt into national assets and the interests on the national debt in national dividends to be distributed to all Canadian citizens.

That part of taxes now earmarked for paying bank interests is outright robbery and such a procedure should be abolished along with the use of taxes to reimburse loans. We all know that the amounts involved are considerable if we consider the municipal, school, provincial and federal administrations involved.

The national debt, Mr. Speaker, is the worst swindle and the interests on the debt are extorted from taxpayers as the result of a fraud.

We have a lot of things to say about the banking system, but since we have reached a climax tonight with the request made to the government about the creation of an institution which would be allowed to handle Canada's capital, we will not oppose it too much because we know that one bank more or less will do very little to improve our economic situation.

We know that this will not solve the problem but we have decided to let the bill go through. We believe that it should be referred to the Committee on Finance, Trade and Economic Affairs to be more thoroughly studied and so that during the committee meetings we might raise objections to it and add to our comments.

We are prepared to let the bill through tonight.

[English]

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I rise merely to sound a note of caution in connection with this bill to establish a new bank in Canada. Over the years, Canadian banks have gained a very high reputation in international circles. It is many years since there have been any failures involving Canadian banks or since any difficulties have arisen in relation to their financial situation. It is important and necessary that before hon. members approve the establishment of a new bank they should make certain that it will meet the very high standards which have been set.