

The Budget—Mr. Caron

realistic as the great fathers of our country. Can this twenty seventh parliament rise to what is the greatest challenge of the whole of the first century of Confederation? My prayers, sir, are that each one of us may be guided to be worthy of the nation which has given to us the privilege of serving her in her highest and noblest institution.

• (8:50 p.m.)

[*Translation*]

Mr. Alexis Caron (Hull): Mr. Speaker, I have listened with pleasure to the speech of the Minister of Finance (Mr. Sharp), and I even found it very objective. I was not surprised to note that most responsible Canadian papers endorsed it readily. The opposition objects to it and it does not surprise me. Its role is to object. What surprises me most about the opposition is that their objections could not prove useful to them if ever they returned to power, because when the Leader of the Opposition and most of his chief lieutenants will disappear, the Conservative party might return to power and then, how will they be able to support the policy they are advocating today?

The member for Carleton (Mr. Bell) referred very earnestly to important problems. He exaggerated the situation in Quebec. True, there are separatists in Quebec, but most of the people are not. They wish to preserve confederation, but they ask that our rights, so dear to us, be respected; the member for Carleton is aware of this and is willing to respect our rights.

In his budget, the minister attempts to remove the threat of inflation in Canada. This threat actually exists. Besides, the opposition, in a non-confidence motion some time ago, criticized the government for ignoring this threat of inflation, as the minister remembers. Now, the minister is taking action to fend off the threat of inflation. I commend him for it and I hope he will continue.

The Créditistes, and I understand them, claim that the Bank of Canada could lend without interest to school boards and municipalities. I listened to the member for L'apointe (Mr. Grégoire). I did not hear the member for Villeneuve (Mr. Caouette) because I was not in the house. I suppose he spoke along the same lines.

Mr. Caouette: It was better.

Mr. Caron: I do not doubt it, because the hon. member is a talented man. In my opinion, those who say that the Bank of Canada could lend without interest to school boards and municipalities are mistaken. The

[Mr. Bell (Carleton).]

Bank of Canada can certainly lend, but it must obtain its money somewhere. If the Bank of Canada—

Mr. Caouette: A short question. The member for Hull, Mr. Speaker, says that the Bank of Canada must take its money somewhere. Can the hon. member tell us where the Bank of Canada takes its money to lend it to foreign countries, like Jamaica, the Congo and others, without interest. Where does it take its money?

Mr. Caron: Out of Canadian citizens' incomes. The Bank of Canada derives its income from Canadian citizens.

Mr. Caouette: Where?

Mr. Caron: They granted loans without interest; it may be a mistake. They wanted to help these countries having difficulties, to prevent them from going communist. I believe the country did the right thing and I fully approve.

I maintain that it is impossible to lend to all municipalities and school boards, because we could not find the necessary incomes to do so. If it were possible, I would be delighted. But I cannot, because I cannot understand the way Créditistes work out their calculations concerning incomes. They ask the Bank of Canada to lend money. It cannot make money.

The other opposition parties, namely the New Democratic party, can propose special measures. They can propose a reduction in taxation and an increase in exemptions. That is normal. They know they will never be in office; that is why they can say it so easily.

Mr. Caouette: On a point of order. When we moved an amendment in the house concerning the creation of debt-free money and without interest, the member for Hull voted in favour.

Mr. Speaker: Order.

Mr. Caron: I admit that I voted in favour of debt-free money without interest. It was then a non-confidence motion but we could not oppose it. We voted in favour because it was necessary. We might not do it today, because we are not in opposition. If you were on this side of the house, you would see what kind of difficulties one can come up against. There is nothing like sitting on the side of the government to become prudent. One must foresee the future. Members of the