

Finance

For the taxation year 1976-77, the gross national product amounted to \$194.5 billion, an increase of some \$23 billion over 1975-76.

The monetary mass then amounted to \$100 billion, including \$24 billion in bank notes and coins and the balance, \$76 billion, in bank deposits based on fractional reserves.

Mr. Speaker, if we too had the privilege of creating deposits with fractional reserves I think we would be in the right direction. For this reason, if you study the reports of chartered banks since they received special privileges in 1967, their profits have risen considerably while our country went ever deeper into debt which is really discouraging for young people, those who will come after us.

Mr. Speaker, the gross national debt of our country has doubled in the last three years; it rose from \$19 billion to \$38 billion and this is one of the reasons why our dollar is still floating. But I am afraid it is about to drown because of our excessive debt. I mentioned fractional reserves and it is not an idea of mine. The act regulating chartered banks requires them to keep a 12 per cent demand reserve plus a 4 per cent reserve on 30 days' notice. This is what happened in February 1978: the percentage of the primary reserve was set at \$5.84.

It went too far, Mr. Speaker, the situation cannot continue indefinitely. And we talk about the gross national product. We say it is essential to restore our economic balance, to fight inflation and unemployment. Mr. Speaker, in spite of the increase in our national debt, our gross national product continues to improve regularly. Progress is on our side even if we have more than one million unemployed, people fit for work who could produce goods and services to increase the value and the stability of our Canadian dollar. Mr. Speaker, it is impossible to continue in that direction. I wish to quote here a question I put on the order paper. I got an answer. It was on February 1, 1977. It is not so long ago. On page 2589 of *Hansard* I asked the following question:

1. What was the total national debt on March 31, 1976?

The answer:

\$38,299 million.

Me, I am curious, and I want to know to whom I owe money. So, I ask another question, and I quote:

2. With reference to Canadian creditors, how many are (a) individuals (b) chartered banks (c) life insurance companies (d) other financial organizations and, in each case, in order of importance (i) who are they (ii) what is the amount of the debt?

Here is the answer:

2. At March 31, 1976 (a), (b), (c) and (d) Statistics on number of holders are not maintained. However, refer to the Bank of Canada Monthly Review Section 22 for distribution of dollar amounts.

Smart reply. Third question:

3. With reference to foreign creditors, in order of importance (a) who are they . . .

Me, when I have debts, I know to whom I owe them. I know who my creditors are, when I must pay them back and also what rate of interest I pay. Now, to go back to my quotation:

- . . . (a) who are they (b) what is the amount of the debt in each case?

[Mr. Lambert (Bellechasse).]

Answer:

Not available.

Fourth question:

4. In each case of compound interest (a) what is the rate . . .

dates of payment . . .

- (b) for how long was the loan made (c) what are the terms of repayment?

Reply:

Not available.

That is the reply of the Department of Finance which is supposed to give us information. "Not available". Is he, the Minister of Finance, available to answer those questions? I hope he will at least have the co-operation of the civil servants of his department to help us find out who our real creditors, the real rates of interest and the dates of repayment all are.

Fifth question, Mr. Speaker:

- In each case of simple interest . . .

• (0012)

[English]

Mr. Peter Stollery (Spadina): Mr. Speaker—

Mr. Munro (Esquimalt-Saanich): You got a lot of applause!

Mr. Stollery: Mr. Speaker, the hon. member opposite says something about a lot of applause when I rose. I find that very interesting. It is always an honour for me to follow the hon. member for Bellechasse (Mr. Lambert) in the House of Commons. The official opposition moved this motion to have this debate some hours ago, and now we have hypocrisy. The opposition are now telling us there is not very much applause. The television audience watching this debate may not be aware that there are not very many members in the Chamber at this moment.

Although I accept, as all hon. members do, any decisions the Chair might make on the need for a debate under Standing Order 26, I must say I question this particular decision. I have been here only a short time, like the Leader of the Opposition (Mr. Clark) since 1972, but I can recall when debates under Standing Order 26 were subject to some argument and discussion as to whether or not a matter was an important one, one that would lend itself to keeping this House of Commons—

Mr. Munro (Esquimalt-Saanich): We have had plenty of discussion.

Mr. Stollery: The hon. member from Victoria cannot wait a moment. Here we are in a practically empty Chamber at 20 minutes past 12 in the morning.

Mr. Knowles (Winnipeg North Centre): With only four Liberals.

Mr. Stollery: Four Liberals, and two members of the New Democratic Party.

Mr. Knowles (Winnipeg North Centre): Three.