

their own credit in the same way they are now entitled to borrow on such credit.

Decentralization of the decision-making power in the matter of monetary and fiscal resources, financial decentralization that will allow the various levels of government to finance their needs for public funds according to the wishes of their taxpayers as well as the physical and material possibilities of provinces and municipalities, such is, Mr. Speaker, the policy advocated by the Social Credit Party of Canada, and which, were it followed, would put an end once and for all to this ruinous and gradual running into debt of all governments, and would free a huge amount of capital for financing industry and trade which create employment in Canada.

Mr. Speaker, the present government does not have absolute control over solutions to the problem. We only need to study the failures of the Department of Regional Economic Expansion and the Department of Industry, Trade and Commerce to see that we should implement the policy which we advocate—which is, the joint development of fiscal and monetary programs by the various levels of government.

There is no question, Mr. Speaker, that nobody knows more than the citizens of Quebec City about the problems of the province or of the city of Quebec. Nobody knows more about the problems of Edmonton than the citizens of that city.

This is why the various levels of government should co-operate in order to find adequate answers to the economic problems facing us from day to day.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have listened with great interest to the comments of the hon. member for Champlain (Mr. Matte) who spoke on behalf of the Social Credit Party and I am really at a loss to know where to begin.

Though I shall not venture a personal opinion on the views expressed by the hon. member, it seems to me they contain a host of inconsistencies and I wonder whether the resolution moved by the Social Credit party to which he referred is actually a separatist manifesto for Canada, not for the secession of one single province, but for the balkanization of the whole country since it is suggested that the regions, the provinces or municipalities should be entitled to make their own claims and develop their own monetary policy, I wonder whether this is in the public interest.

But what is Canada?

An hon. Member: It is not a dictatorship.

Mr. Lambert (Edmonton West): Canada has a population of 22 million people whether they come from Chicoutimi or any other Quebec area, from St. Albert in Alberta, from Newfoundland or Saskatchewan, it does not matter. They are Canadian people who pay into the coffers of the federal, provincial and municipal governments. They are all the same people!

And if you say: We want rights for the municipalities, however these rights will be exercised at the expense of other municipalities, other provincial governments.

Alleged Decentralization of Policies

Therefore, governments are but instruments of the people. If you insist on rights of some individuals, it will be at the expense of the rights of some other individuals.

The Prime minister of the province of Quebec prided himself recently on the triple victory of the province of Quebec over Ottawa. But a victory against whom? Does it mean that the people from the province of Quebec, as Quebecers, under their provincial government, would act against the interests of other Canadians? They are the same people, and when the hon. member thinks of himself as a Canadian taxpayer, he must consider the total of his contribution to the municipal government—which includes school taxes—the provincial and federal governments. The whole represents his contribution to the administration costs of his country.

There may be differences of opinion as to the share of each sector, but as far as the taxpayer is concerned, is he gaining anything whenever we take from one sector in order to give to another? Would that be more helpful? Perhaps as regards services a new distribution should be made, but when it comes to the contribution by the various levels of government, be it for municipal, provincial or federal programs, whether there is waste or dishonesty at any level, there is no loss for the taxpayer, it seems.

Mr. Speaker, the hon. member refers to the representations by the Union of Municipalities of the province of Quebec. I do not wish to point a finger at or criticize that Union for its views, because we have seen them expressed in several resolutions that were passed by many municipalities throughout the country.

We were told that the interests payable on municipal loans should be exempt from federal income tax, but people seem to forget that there exists in addition a provincial income tax. At the present time, all Canadian provinces have the right to and do levy income tax. But the municipalities claim an exemption because they want to save money!

• (1230)

But from whom do they borrow that money? Mostly from the public market—from Canadians, from *caisses populaires*, from trust companies, in short, from all the people who invest their money in bonds issued by municipalities, school boards, or federal and provincial governments.

Mr. Latulippe: Like big corporations!

Mr. Lambert (Edmonton West): Yes, but I am thinking of the public. Corporations, the *Caisses populaires Desjardins*, for instance, and insurance companies also invest money. I have no doubt that the hon. member has taken insurance policies on his life and on those of his wife and children. People invest their money in those companies, and they are the ones who—like the hon. member and his family, for instance—indirectly benefit from it.

If we ask that municipalities be exempt from taxation, what will happen to the revenues of provinces and the federal government?

We cannot say that municipalities will not be asking the provinces for so many grants or subsidies, or that the