

Business of the House

government bonds, to buy them back and to sell them again at a higher price.

Today, governments, provinces and municipalities, large companies, school boards, religious corporations and parishes issue bonds at an interest rate of 7 per cent and even 8 per cent. Why such prohibitive rates on money, on capital?

When will this staggering increase in the interest rate come to an end? Will someone attempt to stop it? Is it preferable to let the capital income continue to increase this way, when people do not have the basic requirements, when they lack adequate income, particularly the citizens that are too young, too ill or too old to earn their living?

This dangerous game must be ended, even if it benefits the part of the population that is well provided for, that has the knowledge, and that governs. The wealth, science and power of these gentlemen is not for themselves only, but for all the people that offer them their labour and their talent in order to get, in return, a better share of the wealth and income of Canada.

This is life in society: working for each other, not all for just a few who have wealth, talent, science and power. All these increases in interest and wages only pushes the cost of living higher, even for those citizens that have neither work nor capital. This is the painful aspect of the national economic situation.

The gap is getting wider between rich and poor between those with a surplus or a deficit, between those who accumulate capital and those who sink into debt. This is also true of all the governments, all levels of our economic activity. The interest rate is all-impor-

tant in case of debts. To make you understand, let me draw the following picture. It will prove useful to understand our problem.

Suppose we have to build a bridge in Montreal, in Winnipeg, or anywhere in Canada, and that it costs \$20 million. We can borrow again \$20 million from banking finance at a 5 per cent interest, for 40 years. We can borrow from the Bank of Canada \$20 million without interest, repayable at 5 per cent of the amount, over 20 years, because the bridge is an unprofitable public utility, that has no possible revenue. Moreover, it was built with Canadian materials and by Canadian people. Only Canadians took part in the building of that bridge or that building, if you want to put it that way.

The Bank of Canada bonds bear a 5 per cent interest; the annual reimbursement, at 5 per cent, is \$1 million; the 20 year interest is \$20 million. Ten years from now, \$10 million in interest; 20 years from now, with the present system, the interest will cost \$20 million and 40 years from now, it will cost \$40 million.

Mr. Chairman, may I point out that it is six o'clock?

[*English*]

Process reported.

• (6:00 p.m.)

BUSINESS OF THE HOUSE

Mr. McIlraith: Tomorrow we propose submitting to the house for its consideration items 74, 75, 134, 136, 137 and 139.

It being three minutes after six o'clock the house adjourned, without question put, pursuant to standing order.