

It is for these reasons I welcome the opportunity today of making some suggestions of change in our financial system. I can understand how my friends who moved this motion feel. They look around and see a system that has failed to solve the problems of production. They see people on the one hand who need services and houses and who want work, while on the other they see a government that creates unemployment and wastes resources. If we look back at history we will recall two wars in which this country participated. When the country needed resources, we virtually created them and financed our war effort from our resources. We managed to finance those things with which to kill other people. Today, when the sons of Quebec need jobs, the government cannot find the necessary money. The government had money with which to call on people from Quebec to go to war, but it cannot find money to kill the unemployment that exists in that province.

A change is taking place in the province of Quebec; people are moving from the farms to the cities; young men are being trained for jobs that do not exist. It is the policy of this government that unemployment shall continue. Those of us who are concerned about the survival of this nation must wonder about the kind of policies that create this situation. Those who create unemployment and poverty are the true separatists of the nation. It is small wonder that hon. members to my left scoff at the orthodox economics of the traditional parties, particularly when they see how those orthodox policies have failed to solve the basic problems of matching the needs of the people with the productive resources of our society. These members look around and see that our system has failed to solve the problems of distribution. They cannot understand how the rich and the poor live side by side in a nation that is capable of tremendous expansion but is held back and prevented from expanding.

Our governments have not been able to solve the problems of inflation. Our governments do not have the courage to step in and recognize that our system has broken down and that we require a new system to prevent rising costs. They seem to depend on the kind of fiscal and monetary policies which create these things. Recently there came to my attention a brief which was written in response to the white paper of the Minister of Finance (Mr. Benson). This brief deplored the white paper, asked what would be gained by redistributing income in this country and stated that everyone would receive \$8,000 a

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year. Terrible: we would only receive \$8,000 a year! I assure you, Mr. Speaker, that millions of Canadians would think that was a very grand sum to receive and might very well favour that kind of distribution. However, in the circumstances, that is not the answer. You cannot distribute money continuously; you must create and increase the productive resources and the potential of the society. In order to do that you must find a way to provide opportunity for growth and for employment and then share the resources within the system.

● (8:40 p.m.)

I should like to remind my hon. friends of the Official Opposition that it is sometimes forgotten that Social Credit had some antecedents in this country. From my reading of history it would seem that from 1878 the Conservative Party was supported by a small group called the National Currency School which was really the forerunner of the Social Credit movement. There are some who say that the national policy of Sir John A. Macdonald in some ways was Social Credit policy, because John A. Macdonald was trying to use the resources of this country to improve the conditions of its people.

I shall come to the theory of my hon. friends, but I wish to point out it is not a theory to be scoffed at and is not one to be taken lightly. The people who cry out against the system do so with a genuine concern about the financial doctrines that have not served the needs and interests of Canadians. More so, one reason for some of these early approaches to soft money, if you want to call the Social Credit theory that, was concern about our future as a nation. This is perhaps one of the matters my hon. friends do not understand, that is, the implementation of some of the theories they have would serve the purpose of erecting tariff walls in this country and of insulating us from other nations. I have looked at this theory and I cannot say I understand it too well. I have tried to understand it. Perhaps some day I will.

One reason I do not understand it is that while there is a large measure of truth in the theory, while their motives are understandable and while their rebellion against the system is understandable, there are too many inconsistencies in the theory. I have often wondered whether the advocates of Social Credit theory really understand it as fully as they might. I wonder whether they understand that, as in any other system, there are