

Suggested Interest-free Loans

rate, which means an annual interest of \$28,620,000, or \$78,411 per day.

The 1,652 Quebec municipalities, with a \$2,083 million debt, pay \$232,470,000 in interest, or \$636,904 per day.

According to the Union of the county councils, school boards, including the CEGEPs and regional schools, hospitals and universities have an overall debt of \$4 billion. Therefore those organizations must pay an interest of \$250 million, or \$684,931 per day.

• (3:10 p.m.)

Thus, Mr. Speaker, the overall debt of the province of Quebec amounts to \$10,637,122,507, on which the Quebec taxpayers pay an interest of \$2,060,645 per day.

I do not intend to linger unduly on the debt problem in Canada. I will merely point out that since 1867, the gross debt as well as the net debt have steadily increased in Canada.

Here are a few examples of the total debt of the federal administration for a few given years. In 1867, Canada's total debt was \$93,046,051. In 1900, it went up to about \$346 million. In 1933, it had already reached some \$3 billion; it increased to \$9,228 million in 1943 to finally reach \$32,924,170,000 in 1968.

But these loans, as I mentioned, are but differed taxes which some day the taxpayers will have to pay. If we succeed in decreasing the public debt, it will be because the government will go and get that money in the taxpayers' pockets. And if the government does not succeed in decreasing the public debt, the taxpayers will be called upon to pay taxes all through their lifetime just to pay the interest.

Taxes, taxes and more taxes. We have personal income tax, corporate income tax, taxes on dividends, federal taxes, provincial taxes, municipal taxes, school taxes.

Any manufactured item carries a 12 per cent federal tax. The Ontario government adds a five per cent tax while the Quebec government adds an 8 per cent tax. Thus, for a simple item which costs \$1.35 at the manufacturing level, if the seller adds 30 per cent for his profit, the sales price will be \$1.98 including the federal tax.

In Quebec, if you add the 8 per cent sales tax, the item will cost \$2.14 to the consumer.

Every province, except Alberta, applies a direct sales tax. The hidden tax on the sale represents on the average about 7 per cent of the retail value of the products to which it applies. Since the provincial tax is added on

to the federal sales tax, we are having tax over tax to which other surcharges are often added.

There are also many other taxes: tax on land, tax on meals, tax on cigarettes, tax on alcoholic beverages, tax on estates, taxes on entertainment, crop insurance premiums, medicare premiums, unemployment insurance contributions, taxes on airplane tickets. Taxes, Mr. Speaker, taxes everywhere.

And taxes keep rising. Here is how taxes and other revenues of the Canadian government have increased during certain years.

In 1926, with a gross national product of \$5,146 million, government revenues totalled \$867 million or 16.8 per cent of the GNP.

In 1950, for instance, with a GNP of \$17,955 million, government revenues amounted to \$4,634 million or 25.8 per cent of the GNP.

In 1968, with a GNP of \$71,454 million total government revenues at all levels reached \$24,727 million or 34.6 per cent of the GNP.

And that is just the beginning because, according to the white paper on tax reform, the federal government intends to draw another \$630 million annually from the pockets of Canadian taxpayers, five years after the new tax system has been implemented.

Such is the situation today and such will it be tomorrow if Canadian citizens do not require from their governments to find other sources for the financing of social capital. Such a situation will last for ever unless the government should finance without interest social capital used for the development of the social projects of the federal government and the financing of the activities of provincial governments, municipal services and school boards.

People will say that taxes are necessary. Indeed, they are, as long as we yield to the financial rules which keep them necessary. However, these rules are no part of the Decalogue nor of God's commandments. They were established by men, and other men may change them, if they decide to do so.

We, from the Ralliement Cr ditiste, state positively that we can do without running into public debts and without taxes, without giving up developments and public services, without inflation or deflation, while providing an adequate distribution of the purchasing power among the members of the community. But to realize that, a certain condition has to be fulfilled first: a change in the operation of the financial system.