

*Bank Act*

banks lose by it? No, because the banks, having stopped their banking operations, will not be able to demand reimbursement of the loans granted by them to various companies and individuals.

Who then will be the loser? Only one class of society, because the bank shares will drop. It is obvious that a share, which, today, is worth \$40, \$42, \$48, or \$50, will drop to \$1, but what would this mean in the whole structure of financial operations in Canada?

It is known that the capital subscribed and paid to a bank is quite insignificant in comparison to its deposits, or loans, hardly 3 per cent in most cases. But, the holders of bank shares—since everybody should be protected—would have been served in 95 per cent or even 99 per cent of cases, because they held an amount of shares substantial enough to enable them to obtain loans; those loans would be frozen, even if they were losing on their shares. In that case, who else could lose? Nobody would lose anything, except for a time, while we would have no banking system.

If banking operations were suspended, let us say for a month as from July 1, everything could be started again, a more logical system could be built up, and nobody in Canada would lose.

As I have explained, nobody would lose, since the government guarantees such deposits to borrowers, and they would not lose, since the banks would stop their banking operations and could not claim those loans. The banks would cease to exist and the shareholders would not lose, since they would gain on the loans they themselves had obtained from the banks. The government would take this opportunity to pay three quarters of its debt by supplying reserves to the banks.

Nobody would lose, and this would allow us to find out immediately that our banking system is stupid, when we see companies, such as chartered banks, getting rich from the guarantees given by the Bank of Canada and the Canadian government.

This would allow us to find out that, for a credit of \$13 billion, there is in the banks only \$2,300 million in circulation. This would allow us to find out that money is not there, that only the credit is there, and that the credit is not controlled by society, as it should be, but that it is controlled by a handful of individuals, a handful of capitalists who have profit as their sole aim and objective.

While money should play a social part towards economic expansion and industrial and commercial development, while we should have a logical and sensible economic system in this country, while money should not be there like a wall or a brake in the way of all

[Mr. Grégoire.]

development, but should assist progress and service, and check distress in the midst of plenty. Therefore, let us again put an end to banking operations. That will make us realize that money, that the monetary system now existing, is a system designed in terms of the profits of some individuals at the expense of the whole society, while the monetary system should be the reflection of the economic growth, of the development of the country's resources.

Money does not play the role it should because it is monopolized by some capitalists for their own profit, so that they can maintain the people in hardship when they wish to do so and they can prosper in wartime when guns have to be produced. There is an opera aria which says:

Le veau d'or est encore debout  
Et l'on sent sa puissance d'un bout du monde à  
l'autre bout  
Perché sur son piédestal  
Satan conduit le bal.

Mr. Chairman, I realize that the hon. member for St. Hyacinthe-Bagot (Mr. Ricard) is not familiar with such opera excerpts. It is Mephisto who sings that aria:

Et perché sur son piédestal  
Satan conduit le bal

That is still the situation today. The golden calf is still standing. Finance still controls the Minister of Finance and the government, because when you have deficit after deficit, as there has been for several years and from the very beginning of confederation, they have to crawl before financial interests, in order to obtain credit, because that credit is controlled by chartered banks and is not produced by the work of the people. This credit is not created by the work of the people, the production of our industries, the result of our trade, of our development and of our natural resources.

How is it that everything is left in the hands of a few who take for themselves the profit of a whole society, by the creation of credit that the government must place at the disposal of the society? We have in the monetary system perhaps the major source of income, and that is strange indeed, since it is a credit which cashes in on the work and production of other people—

[Text]

**Mr. Winch:** Don't you lose your train of thought when you talk so much?

**Mr. Grégoire:** Better to talk too much than not at all.

[Translation]

There is one who asks me whether I shall not lose my point by talking too much. There are some people who are slow learners and