

*The Budget—Mr. Gauthier*

goes on, as the parliamentary majority is pleased with it.

This budget resembles all the others in that it levies new taxes on those who can least afford it. If we consider the budget speeches delivered since this government came into power, we see that a series of tax increases have been deducted from the wages of our family heads, thus reducing the purchasing power. Some will object that the people constantly require more services from the State; the government meets these numerous requirements by levying taxes, surtaxes and triple taxes, since the advocates of the new method of taxation start from the principle that the government does not give anything for nothing.

Some even say that the government does not create anything, and yet something is created here in Canada. In fact, chartered banks create monetary credit. Who gave them the power to manipulate, to multiply their assets 14 times, to create out of nothing, with a mere stroke of the pen, new credits which cost them nothing but on which provincial and federal governments may pay 10 per cent in interest, since the ceiling on bank interests has been removed?

The federal government only has been able to grant chartered banks the privilege of serving as substitute for the State. That means that only parliament had this power of creation. Then, why would the present government, through its agency, the Bank of Canada, not recover its powers, by giving back to the Bank of Canada the exclusive right of creation which it granted to chartered banks? By so doing, the government would kill two birds with one stone since, besides innovating, it would recover the tool enabling it to control its economy.

• (8:30 p.m.)

In this way, every year, through the Bank of Canada, the government would be able to take over and to administer the excess yields or the new credit in the country, which it could also multiply by 14, if necessary, like the chartered banks are doing now.

I think it is time that the Minister of Finance started to look for money where it is to be found, when he has to levy a new tax, that is, in the pocket of those who are exploiting the country. We are continually being told that Canada is the second richest country in the world, and the minister himself said it in the speech he made on October

22, which is to be found on page 1678 of *Hansard*, and I quote:

We have a labour force that is growing more rapidly than that of any other industrial country. It is also increasingly well educated and trained for work in modern jobs. Our natural resources are the envy of others and the basis of our industry and wealth. We have a large industrial capacity, much of it now relatively modern and little of it in serious excess.

Although we are the richest country in the world and the one with the greatest natural resources, Mr. Speaker, we are also the one most deeply in debt, because foreigners control almost 80 per cent of our economy.

That is why the minister said, as shown on page 1679 of *Hansard*:

We do however face serious problems in organizing our economic advance and expansion, in managing it and in financing it. Both in our public and private activities these tasks are going to require the best brains and work that Canadians can devote to them. Great economic advance is open to us but only if we manage our affairs well.

I think that when the minister said that, he was convinced that the greatest problem facing Canada today is that it does not control its own economy. In fact, our economy is controlled by foreign capital and interests which we merely serve. Mr. Speaker, that is not a very reassuring picture for the present administrators, nor a very honourable achievement for their predecessors.

We the members of the Ralliement créditiste, maintain that Canada is rich enough, if it were to make logical fiscal and monetary reforms, to give its population a decent standard of living and that a Canadian government can administer the country soundly and rationally without imposing taxes the way it is doing today.

The present government says that it is impossible and the people backed them up on June 25. We accept the verdict, but we now suggest to the government that even under its taxation system, the logical thing to do would be to begin by taxing those who can pay taxes or those who are in the most favoured positions.

As an example, I would say that the government should require from the chartered banks that they disclose their hidden reserves—which amount to more than a billion dollars—on which they have never paid any income tax. All that was done with the approval of the former governments as well as the present one. The same thing applies to the large companies, whether they are foreign