

Canadian Economy

people who have worked only for a short period and do not have any experience. Because of this it is almost impossible for them to find jobs, and so they travel across the country becoming more and more disillusioned with the work ethic and our ability to provide employment.

It is interesting too that the Minister of Finance is not deriving any benefit from these young people. When we have this amount of unemployment, whether it be due to strikes or sickness, or any other reason, when people do not go to work, when we maintain a pool of 6 per cent unemployment, or 7 per cent or higher in certain areas, then I say we are not providing the type of leadership that is required to reduce the unemployment factor to a low level.

Members of the Social Credit party mentioned some of the other problems today. I think many of them go back to the financial institutions. While I am not an expert, I believe that we have too many banks in Canada. When banks make the highest profit of the corporate elite in our country then there is something wrong. Banking and finance should supply a service and should not be the greatest money-making business in the country.

Some hon. Members: Hear, hear!

Mr. Peters: There is always the argument that we should have more banks, and I understand that there are two more applications before us for charters. We have 11 banks already and have gone so far as to give the co-operative movement a bank. We have given British Columbia a bank, and we gave the Mafia a bank. Look at the Mafia bank, Mr. Speaker. I believed it would make a lot of money and it started out that way, but the shares have dropped from \$17 to \$3 and something. I believe they just changed leadership the other day. Even laundering money does not seem to be as easy to operate as numbered accounts in another country. We are not doing anything for ourselves in creating other banks.

An hon. Member: Are you on the board of directors of that bank?

Mr. Peters: No I am not, Mr. Speaker. I feel about our banks in Canada a little bit the way the founder of Christianity felt about the moneylenders in the temple. They are just about as repulsive as the moneylenders in days gone by, as far as I am concerned.

It seems to me the time has come to nationalize our banks. Let us not have the Liberals act so high and mighty about whether they can support this motion. Certainly they can. Through the Bank of Canada which it directly controls, the government made 15 per cent new money last year. All it does is add to our debt, but nobody gets upset about it any more. In the time that I have been here we have only once taken money out of circulation to pay something off the national debt. If we made the Bank of Canada the national bank, and made the other banks operate in the way they are supposed to, and not on the basis of creating new money by deposits—

Some hon. Members: Hear, hear!

Mr. Peters: —if we were to lend the bank that money then we would be able to lend money to develop housing in this country. We would not give DREE grants to corpora-

[Mr. Peters.]

tions without equity; we would give them that money and take equity, and if they wanted to buy the equity back they would have to pay for it and we would again get rid of the money in other investment. Mr. Speaker, we are manufacturing money today. Last year the Liberal party were Social Crediters and created 15 per cent new money by turning on the printing press. The Minister of Finance can verify that. In some cases their ideas are even worse than those of Major Douglas, because I do not think they relate to a numbering system so that they can get it back.

Some hon. Members: Hear, hear!

Mr. Peters: We are allowing money to be lent for housing, which is social capital. Few people, I think, take their houses with them when they leave this world. People leave their houses to their children and grandchildren. As most houses are built to last between 60 and 80 years at least, they are clearly part of our national capital. I see no reason why money should not be lent at interest rates just large enough to cover administration charges, because after all such money increases our national capital. I see no reason for lending to people who will merely speculate.

• (2120)

In Canada owning a house is one way of saving. You put your money into a house and hope that it appreciates with the rate of inflation. The psychology of the Canadian public is strange. People on the street were asked what they would do if they won \$1 million in the Olympic lottery, most said they would take a trip, finish paying for their house, perhaps buy a new car, and put the rest of the money in the bank. Of 20 people interviewed in Sudbury, everyone said he would put the bulk of the money in the bank. That is how Canadians are. When they buy a house, they consider it the same as putting money in the bank.

Financial institutions have a part to play in developing this nation's economy, and they should work for the benefit of our people. Money, after all, is but a means of exchange. We manufacture it from paper, cannot eat it, do not like its smell; it does not last long, is not fireproof, water resistant or durable. Basically money is but a piece of paper we use for exchange. When we allow banks to lend eight or ten times the amount on deposit, we allow them to create money. They do this for their own benefit, not that of the country. What happens when any multinational corporation operating in this country, or any large business in this country, runs into difficulty? Really, in this regard the comment made a few minutes ago by the hon. member who quoted Lenin is pertinent. The money to help these corporations comes from our banks.

I suggest that hon. members would be well advised to eliminate present day abuses of our banking system and direct their attention to the provision of full employment. We should provide the Canadian public with the money necessary for doing what must be done. This would be better than merely creating money and adding it to our national debt.

Mr. Frank Hamilton (Swift Current-Maple Creek): Mr. Speaker, the motion before us poses two questions. First, why are we in our present situation, and on a course directly opposite to that of our great neighbour to the south and almost every industrialized western nation?