

*Taxation Reform*

system and that all taxpayers are treated fairly.

I would like to express the grievances of the Ralliement créditiste against the present system. We talk about reform, but what the White Paper proposes is not reform, it is a distortion of our economy, a distortion which will make it increasingly difficult for our Canadian citizens to reach their goal in life and to secure a decent well-being in an immeasurably rich country.

I would like to find the root of the evil, to determine the main causes of the economic crisis that has arisen, because tax increases undermine the morale of the people and unfortunately lead them to dishonesty.

Several citizens, business men and professional people betray their conscience to keep their standing, because they are too heavily taxed.

Why criticize and denounce the present financial system? Simply because it does not play its role which is to finance the production of goods and services, as well as their fair distribution to all the people and not only to a small number of them who make money through taxes and higher interest rates. It is in this way that big institutions get richer in Canada and the measures we take contribute only to increase substantially their assets.

Why does not the present financial system play its part? Because public and private assets are perfectly realizable but certainly not under the present financial system. Many physical assets are realizable now but we cannot develop them due to credit restrictions and to excessive rates of interest. Such a situation delays progress and paralyzes even more the economy, while unbalancing it further.

Production is impossible in many cases because it is not financed. However, the necessary goods and services are offered to the people who cannot get them because the financial system does not subsidize consumption. This is undeniable.

In fact, how is production or consumption financed? Through various means. It may be metal or paper money, legalized money or cheques drawn on bank accounts. From where do such means get their value? From where does financial credit get its value?

It is worth its true credit value, that is the productivity of a country. Money, whatever the type of currency, has some value only because countries can produce goods and services to meet the demand of the population. A

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country's productivity is the real credit through which it is hoped to obtain the goods and services necessary to the well-being of the population.

However, that is not the case in this country. We have everything we need. Available to us are all the proper techniques to further our development and the prosperity of individuals in Canada, nevertheless, we follow another course because we flatly refuse to apply the main regulators that could balance our economy on a continual and permanent basis, so as to satisfy our people who ask nothing but to work.

Our present financial system precludes any progress. It annihilates all these advantages and puts an end to the building industry. Whole families, large families sometimes, live in two or three room dwellings. This is illogical in a country like Canada which has everything to build and to enlarge houses so that these families can be properly accommodated. The restriction of credit, which was made necessary by inflation, and the increase in interest rate, which is said to be satisfactory and able to regulate our economy, are unjustifiable measure because it is the exact opposite which is necessary. And if we have now an increase in the cost of living while faced with inflation, it is precisely because of an increase in the interest rate which has no precedent.

• (3:20 p.m.)

So, we speak of national production which does not mean nationalized production. It is the general productivity that must ensure every citizen the means to satisfy all his essential needs.

Who owns the financial credit? Nowadays, it is those who take advantage of the raise in interest rates to increase their fortune. Originally, the financial credit belongs to the community in the same capacity as the real credit from which its value is derived. It is a collective asset which must profit to each and everyone in one way or another, without restriction. Like the real credit, the financial credit is, by its very nature, a social credit, that is a credit based on life and society.

Is it possible to get from the general economy of a country all the financial credit so that each individual may be able to control himself the production of goods and services he must have to meet his essential needs? My answer, without any hesitation is yes. But under our economic system, this is impossible