

The Address—Hon. M. Lambert

they cannot justify them great pressure will be brought to bear for those prices to be rolled back. Nothing like that will happen. The Prices and Incomes Commission says it cannot do it. Our dealing with inflation through this commission will take far longer than anyone can possibly foresee. I am disappointed to see the government's selected vehicle being backed too pusillanimously. That is a big word, Mr. Speaker, but the problem is big, too.

There is before this House an amendment put forward by the Créditistes. I cannot speak about their motives for moving it, nor do I intend to. So far as our party is concerned, that subamendment as it stands cannot be supported. In his speech the Leader of the Opposition laid great emphasis on the absolute necessity for a comprehensive review of our whole program of welfare. We must ask ourselves: Is it doing the job of eradicating poverty as a social blight, not only the poverty of those who do not work but the grinding poverty of the working poor? Incidentally, the people in both these groups are about the most helpless victims of inflation.

At our party's conference at Niagara we came to this unanimous conclusion:

Poverty exists in many forms, in many different environments and for many reasons. It is more than an economic problem. The strategy of anti-poverty, therefore, must be flexible so that it can be adapted effectively.

Poverty must be fought in many different ways; public welfare is but one weapon in this fight.

We are concerned that the terminology—"guaranteed annual income"—does not adequately describe these principles because it fails to recognize the central place of incentives in a reformed welfare system.

When addressing the closing session of that conference the Leader of the Opposition said as follows:

● (3:30 p.m.)

I am particularly pleased by your commitment to break Canadians free of the poverty which imprisons too many of our citizens. The inadequacy of the present system is clear. You have given definite direction to me and to the caucus, to develop a new and more adequate program, with an emphasis on incentives.

That necessarily implies a fundamental change in the Canadian approach to welfare—to include provision for the working poor, as well as the non-working poor.

The consensus you expressed gives me a mandate to proceed, along with caucus, in developing the kind of program I have been discussing for 18 months.

For those reasons, Mr. Speaker, it is impossible for this party to support the

[Mr. Lambert (Edmonton West).]

amendment to our amendment. There are many other items of which I could speak at this time when dealing with inflation, but I come back to the simple theme that all members of this house must unite in the determination to defeat inflation. We may differ in our methods. For example, I cannot accept the proposals put forward by the Canadian Labour Congress, the Confederation of National Trade Unions and the New Democratic Party that there should be a Prices Review Board but that wages should be a non-negotiable item outside the examination of any such board. This makes a joke of the whole question; therefore, we cannot accept it.

I much prefer voluntary restraints because I believe that we in Canada have an inflation psychosis based upon expectations. Many people are tied to major labour contracts which have annual escalations going forward two or three years. Our public servants at the federal, provincial and municipal levels have similar contracts. Everyone is asking: Can I pay for it next year because I am going to get an increase of so many cents an hour or so many dollars a month; it is guaranteed under my working agreement.

There is this expectation of inflation—it is better to spend now because it will cost more later. After all, the president of the Trust Companies Association of Canada—

Mr. Speaker: Order, please. The hon. member's time has expired, unless he has the consent of the House to continue.

Some hon. Members: Agreed.

Mr. Lambert (Edmonton West): Thank you, Mr. Speaker, and hon. members of the House. I shall not detain you too long.

The president of the Trust Companies Association of Canada, an association whose members have the lion's share of the money that goes into the mortgage market, indicated in his evidence before the Standing Committee on Finance, Trade and Economic Affairs that one of the fiscal measures adopted by the Minister of Finance, namely, the deferral of the capital cost allowance, had not appreciably retarded construction. Why is that? It is due to the expectation of inflation, that by deferral of one year it will cost that much more to construct the building and therefore it is much better to proceed with it this year and perhaps stretch out the capital cost allowance that would have been available this year to next year or the year after. It will never be lost, but the cost next year will be