

The Address—Mr. Low

shock of my life. If you want a real comparison just take a look at the prices of cotton goods in the United States and compare them with prices here. Take the prices of men's shirts. If you want another shock take a look at the tools used by farmers and mechanics to make repairs. They are 20 to 25 per cent lower in the United States than they are here. Electrical goods run up to 75 to 80 per cent lower than they are in Canada, and there are so many other things I could quote which enter into the day to day cost of living in the United States. I am satisfied that what the leader of the opposition (Mr. Drew) has said is quite true, that the cost of living index today in the United States is lower than it is in Canada.

Mr. Knowles: And wages are higher.

Mr. Low: Wages are higher. I do not think there is any question about that when you consider the whole range of things that enter into the cost of living index. The government sort of excuses its position on the ground that the cost of living index in Canada is no higher at any rate than it is in the United States, and they say further that this is no time to apply a system of direct price controls. They go further and say that it would have to be an over-all system including wage controls, and that even such a comprehensive system would not work now. I am not going to quarrel with that declaration by the government, but I want to set out our position quite clearly.

We Social Crediters are convinced that a system of over-all direct price controls, with all the regimentation and restrictions it entails, is the very negation of the democratic way of life. That is the first point. We further believe that as long as Canada continues to participate in the numerous international organizations to which she is now committed, such as NATO, Bretton Woods, the United Nations, the Colombo plan, and so on, the cream of Canadian production is likely to be given away externally, leaving in our country effective demand for which there is no balancing supply of consumer goods. In that situation pressures for price rises are inevitable, particularly if large corporations continue to pile up inventories so that those goods are not released to the Canadian public. It is our conviction too that as long as we continue to operate under the present financial and economic system this country cannot maintain a condition of full employment, even in peacetime, without some price control arrangements. Until proper financial and economic reforms are established in Canada to take care of the situation on a long-term basis, it may be necessary to adopt certain price controls, as has been advocated

[Mr. Low.]

by both opposition speakers who have preceded me this afternoon. We would support such a temporary measure, and note that I say "temporary"; I am quite sure that the leader of the opposition at any rate, and I think perhaps even the hon. member for Rosetown-Biggan (Mr. Coldwell), would agree that it should be a temporary measure, to bring our people relief from the present terrific high cost of living until we can get things balanced down to a decent level.

In my judgment there are other perfectly scientific and economically sound things the government can do to ease the cost of living burden and bring relief to millions of our Canadian people. We strongly advocate the following measures:

1. Overhaul of the taxation structure. We feel that the government ought to abolish or reduce in rate those taxes which are found to pyramid consumer prices. Particularly we advocate removal of the sales tax, an abatement in income taxes on public utility corporations, and the reform of the fiendish income tax enforcement policy as it has been applied to western farmers. Wherever any tax policy is found to discourage all-out productive effort, it should be revised to remove the discouragement.

2. We advocate holding out every possible inducement to all sections of Canadian society to increase their productive efforts. We believe that the greatest single factor in bringing down the general price level is a plenteous supply of consumer goods for home consumption. Let me make that clear; a plenteous supply of consumer goods for home consumption, not piled up in somebody's inventory, not produced to send to some other place, but a plenteous supply of consumer goods for home consumption.

3. We believe we should couple with a wise taxation policy a system of consumer price discounts or subsidies on selected items which enter into the daily needs of the majority of Canadian people. The Prime Minister said something today about the history of subsidies in the United Kingdom. Again I think it was rather unfortunate that he did not say at the same time that the subsidies applied in Great Britain are largely on things which they have to import, of which they produce not enough for their own people. It is a different matter when you apply subsidies to things you have to import than it is to apply subsidies to things that you produce in your own country and can produce in abundance. Let us take eggs, for example. I think it is certainly a reflection on the intelligence of the Canadian people today that we find ourselves in the position that we have to import eggs into Canada for the first time in our lives.