

negotiations, these consultations, did not take place before the controls.

**Mr. Lessard:** We have had a great many.

**Mr. Olivier:** Is the hon. member for Joliette serious?

**Mr. La Salle:** Indeed, I am very serious. The hon. member for Longueuil (Mr. Olivier) knows perfectly well what happened today. Of course the need is now felt to go through those consultations, those important bodies in an economy such as ours did not trust this government, as evidenced by their position during the 1974 election which left a number of interrogation marks. We now see that this government feels the need to get the support of those important organizations.

The hon. member for Halifax (Mr. Stanfield) in 1970 travelled throughout Canada to warn this government against that calamity, as inflation was already called, because it was recognized as a danger. I do not think any member of this House did so much as the former leader of this party to make Canadians and the government aware of the menacing danger, but he was ridiculed and we are now asked why we wanted this debate. If the government had taken heed when warned by the then opposition leader, we would have been spared the kind of politicking that went on in the 1974 election. If this government had been honest in 1974, it would have recognized, as every Canadian is now aware, that we were right in 1974. Times were right in 1974 to take the initiatives we were urging. But so much time was lost that irreparable harm was done. And now the minister states it was not in good faith and with a happy heart that controls were established in 1975.

The unpalatable thing for the government was not to establish controls, but to know that the people had been willingly misled in 1974. So it was not easy to establish controls on responsible organizations and the Canadian people. This is why the government and especially the cabinet were hesitant. The then leader of the opposition spoke in 1974 of a 90-day freeze as a means of establishing a mechanism to slow down inflation, and nothing else. We were not speaking of continuing controls as the government is now implying in case it does not get the cooperation and support and trust of the provinces, labour unions and the business community. Of course, we admit that it is important, and that it is impossible to implement those measures efficiently without the cooperation of major organizations. We knew it, and that is why we thought that 90 days would be sufficient to set up that mechanism or device which could have enabled the Canadian people to achieve the objective we set at that time. Mr. Speaker, I intend to endorse fully the motion now before the House.

• (2110)

I support this motion with utmost conviction and sincerity, the more so because I feel I am expressing the opinion and the deep feeling not only of my constituents, but also of millions of Quebecers, whatever their political affiliation. But before coming to the object of the debate, I consider useful and even indispensable to remind hon. members of the poor performance of this administration in the area of inflation over the

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past six or seven years. I feel this is necessary to place in its true historical perspective the major intervention which the official opposition is now trying to make and which I proudly support.

Mr. Speaker, it is easy to say that the Canadian public will be disappointed by our position in this debate. It is also easy to say that the Standing Orders should be amended to gag the opposition, but it would be too easy for the government, by improving or amending these Standing Orders, to prevent us from increasing the people's awareness of this public lie which was told in 1974. I think it is important that all Canadians know the real reasons behind the government's action, its refusal of those measures in 1974 and the reasons why they decided later on to implement those same measures. When the first symptoms appeared, the government thought that it would be enough to pretend fighting inflation for it to disappear. So they established the Prices and Incomes Commission, they willingly neglected to provide it with the needed tools to be efficient and operate a real recovery. Needless to say, the commission could not do anything valid and the problem kept on worsening. During all that time, the government did not take the problem seriously, allowed the situation to deteriorate rather than grapple with it and tried to warrant its inaction with sophisms like "inflation is a world problem" or "if we want imported products we will have to pay the price asked for them".

But the prices were still increasing, not only for imported goods but also for consumer oriented products. Prices were constantly increasing and, consequently, we know the problems facing the public. After some years of efforts and the useless spending of \$5 million, the Prices and Incomes Commission came to the conclusion, in a report kept secret by the government, that it would be necessary to control prices and incomes. Was the Prime Minister aware at that time of the inflation threat to Canada? He must have been because he said back in 1970 and I quote:

Continuous inflation would undermine our economy, dangerously alter the structure and the stability of our society and affect the credibility of our political institutions. In the long run, it would be a threat against our future, both as a society and as a nation. It is obvious that the more inflation rises, the more difficult it will be to control it and the more costly it will be to put an end to it.

The words I have just quoted were not spoken, Mr. Speaker, by the then leader of the opposition, whom, in passing, the government members delighted in calling a prophet of evil; they were spoken by the Prime Minister himself, and not recently, but seven years ago.

That being the situation, and in the face of the failure of the Prices and Incomes Commission to check inflation, one would have thought that the government would have considered it timely to implement immediately the recommendation of the commission by advocating prices and incomes controls. But no, the government was not going to take the chance of losing its popularity by introducing controls. Once again, it chose to spare its popularity with the electors at the expense of the Canadian economy, and to keep up appearances it set up to