

### *Inflation*

posals of the Social Credit Party for eliminating the unjustified increase in the cost of living; in particular the proposition according all Canadian consumers, a compensated price on all Canadian food produce.

He said: Mr. Speaker, on behalf of my party, I have the privilege to move a non confidence motion the importance and acuteness of which could not be more timely. The present situation has become so critical that it is high time we woke up if we want to prove equal to the Canadian people's aspirations. Therefore, it is most appropriate to ask the House to deplore—

—the inaction of the government in the fight against inflation on the fallacious pretext that it is an international problem and that this House—

—ought to blame—

—the government for ignoring the concrete proposals of the Social Credit Party for eliminating the unjustified increase in the cost of living; in particular the proposition according all Canadian consumers a compensated price on all Canadian food produce.

Mr. Speaker, why is this motion being moved? Merely because one has to be blind not to see that all Canadians, and more particularly the underprivileged, are suffering from the ill effects of what is shockingly called inflation. For the average Canadian, rising prices are disastrous. We never had it so bad since the great depression of the thirties. The dollar is worth less than half its value barely 20 years ago. Basic items like bread, butter, milk and clothing, not to speak of housing, reached unbelievable levels compared to what they cost a few years ago.

We are going through a critical period; we are on the verge of a depression that could reach catastrophic proportions and challenge the stability of our Canadian society. Faced with that imminent danger, the government does nothing. Every minister, even the Prime Minister himself, looks paralyzed. They do not know what to do. Worse still, they admit it. They do not or will not understand inflation's real causes, and apparently they are not overly worried by its unescapable consequences. Creditists put forward specific solutions to offset the disastrous impact of skyrocketing prices. These solutions may be our only hope of avoiding a resounding bankruptcy of our society and economy. In the last few years, inflation has been the number one economic problem facing the developed countries of the world. Inflation has been the subject of endless discussions, but few, if any, positive steps were taken to control it.

Certainly inflation should be controlled. Historically, periods of rapidly increasing prices have always brought about a growing political instability, often resulting in violent revolutions and other social upheavals. Inflation undermines personal security. Whenever people come to the point where they have to live by the year, by the month, by the day and even by the hour, fantastic repercussions ensue in any society.

But the government believes and would have us believe that nothing can be done to control inflation. They say this is an integral part of our economic system. It may be true, but in that case, we feel it is even more urgent to reform that system if it is an integral part of it. It is indeed too easy to hide constantly behind the fallacious pretext that inflation is an international or a world-wide problem and that nothing can be done about it. The government has so convincingly put forward that pretext that

[Mr. Matte.]

even the man in the street explains all those problems by saying: "What do you want, nothing can be done, it is a world-wide phenomenon."

Already, Mr. Speaker, throughout the last electoral campaign, we heard the party now in power merely say: "Well, we are not to blame if all those things go wrong, it is a world-wide phenomenon."

Mr. Speaker, I will again repeat what I said on several occasions in this House: Nothing that goes on in the United States or elsewhere can prevent the cows from giving milk in Canada or the carrots and the trees from growing.

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To avoid facing the real problems in this fashion, to mislead the people, to remain inactive in the face of the possibilities for finding real solutions, is totally unacceptable, and the House owes it to itself to prove it tonight when the vote is taken.

Mr. Speaker, we should go back to certain basic notions, which, while being elementary, constitute the very essence of a policy that could contain inflation and its disastrous effects.

Indeed, the government is sinking into scandal if not sacrilege when it tells the citizens that they must tighten their belts, do without essentials goods, pay outrageous prices for consumer goods, when we live in a country of abundance, where almost everything can be produced. I shall say it again: except for some tropical fruit, like oranges and bananas, what do we lack in Canada? We even have lemons sitting across the way from us! In order to obtain the products and all the consumer goods we need, we just have to ask ourselves the following question: have we got the potential and the physical ability to produce such and such a thing? If so, why not simply do it? This is the question. I say again, under which right can the United States, and the countries of Europe, Asia and Africa prevent our soil from producing all the food we need? Why, Mr. Speaker, do we see not Canadian consumers buy butter from Australia or from New Zealand? Under which right can all the other countries object to our developing our primary resources for the benefit of all Canadians? Why does the government hide behind fallacious pretexts? Once again, inflation is an international problem, it is a world problem.

Mr. Speaker, the longer the problem of inflation lasts, the more complex the underlying factors are becoming. What has been called the psychology of inflation is developing: the fatalist belief that the improvement of such a situation is beyond man's capacities and that the individual cannot do anything except learn to live with the ever increasing cost of living. Adjustments along that line, as we know them, such as interest rates, salaries and pensions indexing, are only contributing to fuel inflation. The very few measures taken by the government to deal with it have proved so inefficient that it is discouraging.

Mr. Speaker, this does not mean that any action is of no use, but it rather suggests that it is not tackling the core of the problem inflation is connected with prices and these represent a monetary measure. It therefore seems to me logical to say that to understand inflation, we must first of all understand the nature of prices and money. A great