

*Food Prices*

**Mr. McGrath:** I may say that, apart from a few very infrequent lapses into partisan politics, the hon. member has been a good chairman of a very special and important committee. This makes it all the more difficult to understand why he did not move concurrence in this report. It might be well to remember that those charged with the responsibility of being chairmen of committees of this House all too often forget that they are the representatives of Your Honour, and hence have special responsibilities which they should discharge in the same fair, unbiased and objective manner as exemplified by Your Honour in this House. But all too often, Mr. Speaker, that unfortunately is not the case. That is especially so under the new rules of the House.

● (1530)

It might be well for us to remember that the setting up of this special committee was the government's answer to the serious problems of inflation, to the effects of inflation on rising food prices. This committee first saw the light of day in a reference in the Speech from the Throne opening the present session back on January 4 this year. The government then referred to the serious inflation problem and to its determination to protect the purchasing power of the Canadian dollar. I think the precise words were:

—to protect the purchasing power of the Canadian dollar in the hands of the Canadian people.

The Speech from the Throne went on to refer to the fact that:

While food prices in Canada have steadied slightly in the last month or so, the government is concerned about possible future effects of the world-wide trend toward higher food prices and will propose setting up a Joint Committee of the Senate and the House of Commons to make a special study of this problem.

The House rejected the idea of a special joint committee, and I think quite rightly. It would be well for us to remember that since January 4 when these words were put into His Excellency's mouth by the government, Canada has had the worst rate of inflation in 22 years and the highest increase in food prices since the Korean war.

The Speech from the Throne back in January placed a very high priority on what it called the attainment of a reasonable price stability. I might say that these words are as meaningless and as empty as the words of the Minister of Finance (Mr. Turner) in his budget speech on February 19, a budget that was supposed to reduce unemployment, hold the line on rising food costs and, for certain specified items, actually to reduce prices. I can tell you, Sir, that that budget could be best described in the words of the Leader of the Opposition (Mr. Stanfield) as a sick joke. Unfortunately, the joke is on the working people of this country.

According to the August report of the Bank of Canada, this country has the highest and sharpest rise in food costs and a higher rate of inflation than any of the six other major industrialized western countries that make up the Organization for Economic Co-operation and Development, OECD. It is also well to remember that since the high sounding rhetoric of the Speech from the Throne and the budget of the Minister of Finance last February, we have had high unemployment, high interest rates and high food prices.

[Mr. McGrath.]

There have been five increases in interest rates since that time, and what amounts to an 8.3 per cent rate of inflation as well as a 15.8 per cent yearly increase in the price of food over the period August 1972 to August 1973. The rate of increase for the first eight months of this year has been an over-all one of 6.6 per cent in the consumer price index, and an increase of 12.9 per cent in the cost of food. So, Sir, you can see that the greatest rate of increase has taken place since the Speech from the Throne when all the concern was expressed about rising food prices and protecting the income of Canadians, and since the budget speech of the Minister of Finance which was designed to hold the line on inflation and reduce unemployment. That is why this second report of the Special committee on Trends in Food prices is so important.

It is, therefore, perhaps even more important for us not only to examine the recommendations contained in the second report, which is properly before the House in accordance with the provisions of this motion, but to reflect on the recommendations contained in the first report of the Special Committee. That first report was tabled in the House on April 3, and concurrence was moved on April 17. There is a good reason for going back to the first report and that is that the second recommendation of the second report, one of the most important recommendations, calls upon the government to get on with implementing the recommendations in the first report. I expect that that kind of recommendation in a committee's report must be unprecedented.

The second recommendation in the report now before us reads:

The Committee recommends that the Federal Government consider the advisability of implementing all of the recommendations contained in the first report, especially the recommendation to consider the feasibility of programs to provide food for low income Canadians.

Of the six recommendations contained in the first report, only two have been acted upon by the government. Even at that, those two recommendations have only been partly implemented. The first one deals with setting up the Food Prices Review Board. It is interesting to see just exactly how the government dealt with that recommendation which called for the introduction of special legislation to set up the board. The government did not carry out that part of the committee's recommendation. Instead, it circumvented the committee's report, circumvented this House, and set up the board under the provisions of the Inquiries Act.

The second recommendation that has been partially implemented by the government is the one calling for the media to be provided with more consumer education.

The other four recommendations in the first report that have been ignored called upon the government to implement certain provisions of the proposed Competition Act dealing with consumer protection, new legislation governing the nutritional content of foods sold to the consumer and nutritional labelling, and federal-provincial co-sponsored programs so that nutritious food would be made available directly to children, senior citizens, shut-ins and the destitute. Even back in March when these recommendations were placed before the House, there were indications that meat and poultry prices were going up and that food prices generally would soar.