

The Address—Mr. Coldwell

Mr. Abbott: I was limited to a fifteen minute broadcast.

Mr. Coldwell: So was I.

Mr. Abbott: I could have said a lot more.

Mr. Coldwell: I say that the people in the lower income brackets are rationed out of the market by high prices, but those who have money can still buy goods. That is why we suggest in our amendment that we should have certain controls and subsidies in order to equalize the sacrifice that we are called upon to make at this time. Under the present system there is inequality. Goods in short supply are denied to one group and they may be obtained by another. In my opinion that in effect is class legislation of the worst type. The budget emphasized the policy of the government. When it wanted to restrict the manufacturing of stoves, washing machines, automobiles and so on it rationed the supply through a special excise tax and through increasing the sales tax by 25 per cent. In other words, as I understand it, taxes were increased and therefore prices were increased in order to cut down consumption.

Mr. Macdonnell (Greenwood): And the revenue was increased.

Mr. Coldwell: And the revenue was increased as well. As has already been mentioned this afternoon, hundreds of thousands of Canadians are in the direst possible need of homes. I think perhaps the need today is greater than it has ever been, but what does the government do? It takes deliberate steps which in effect ration our less fortunate citizens out of the market, and generally inflate the prices of housing accommodation both for sale and for rent. We take direct issue with the government in these matters. We are convinced that if under a system of price controls any essential commodities were in short supply the Canadian people would rather have rationing by tickets than rationing by the purse, and incidentally our view coincides very closely with that expressed in October, 1941, by the late Mr. Mackenzie King. I am going to quote from his radio address on that occasion, when he said:

Rising prices unless controlled will make it more costly and therefore more difficult to finance the war.

All we have to do is substitute the word "defence" for "war".

Rising prices, unchecked, will spread confusion and uncertainty in industry and trade. They will hinder production and the proper distribution of supplies. They will make the cost of living rise more rapidly than wages and salaries. The value of savings will be materially lessened. The result would be hardship to nearly everyone, and hardship in very unequal measure.

[Mr. Coldwell.]

And again:

Rising prices, a rising cost of living, do not have the same effect on all households. The smaller the family income and the larger the family, the more serious the hardship imposed. For those with small incomes, rising prices of clothing, food and other necessities may mean serious hardship, while for those with larger incomes only luxuries and small comforts may have to be given up.

Rising prices thus serve to aggravate the inequalities in society, and to throw the heaviest burdens on those least able to bear them. Wartime experience has shown that prices rise faster than wages or salaries, and bear more heavily still on those who live on small pensions or life savings.

The truth is that all but an insignificant minority of the population would be worse off as a result of rising prices, if prices were permitted to rise unchecked, and in general the relatively poor would suffer more than the relatively well-to-do.

I know that my hon. friends will say that was wartime, but Mr. King had some good advice to give the parliament of Canada and the people of Canada for the post-war period when he said the following in an article which appeared in *Maclean's* magazine in 1945:

Immediately after the war the dangers of inflation may be even greater than they are now. The Canadian people cannot afford to sacrifice the benefits of wartime stabilization by relaxing controls too soon.

That is precisely what parliament did. We sacrificed the benefits of wartime stabilization by relaxing controls too soon. Apparently the Minister of Finance (Mr. Abbott) did not like my statement, as he indicated in a radio broadcast the other evening, that powerful newspapers and prominent industrial and financial leaders had joined in the campaign demanding the removal of all controls. I say that the Canadian consumer is paying through the nose as a result of the policies demanded by powerful interests, supported by all other political parties, and made effective by the Liberal government of Canada. As I have already remarked, these high prices have been accompanied by the highest corporation profits in our history.

I know what has been said and what will be said again, that you cannot have price controls unless you have wage controls and, incidentally, unless you have subsidies. Let us look first at wage controls. Hon. gentlemen will remember that in a brief presented to the government on February 10 this year the Trades and Labour Congress of Canada, the Canadian Congress of Labour, the Canadian and Catholic Confederation of Labour, and the dominion joint legislative committee of the railway transportation brotherhoods pointed out that many wage and salary rates were unduly low and that distinction should be