

ANTI-INFLATION PROGRAM

SUGGESTION PROGRAM END IN VIEW OF LOW CANADIAN UNIT LABOUR COST INCREASES

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is for the Minister of Finance. At the outset of the government's so-called anti-inflation program the New Democratic Party pointed out that factual support for it simply did not exist. Once again, in figures provided this time by the United States Bureau of Labour and published in today's press, it is documented that Canadian unit labour cost increases during the past eight years have been the lowest among the top eight industrial nations. Given the fact that the unit labour costs have not been pricing us out of our competitive markets and the fact that prices are continuing to rise, will the minister finally come to his senses about this program and bring it to an end?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I have pointed out to the hon. gentleman many times in the past and I am glad to repeat it, that we are not blaming labour for the inflation that we encountered nationally and internationally in 1973-74. What we are saying is that if the settlements being claimed for the year 1975 were carried forward into 1976, that is 20 per cent or 30 per cent increases in our unit labour cost, we would, over time, prejudice our economic position. That is the position we have taken in the past and I shall be glad to repeat the answer, again and again, I am sure, to the hon. gentleman.

Mr. Broadbent: Mr. Speaker, I should like to outline the facts for the minister. In 1975, in the figures that were published today, and contrary to what the minister has just asserted, Canada had the lowest increases amongst the same eight countries in 1975 in its unit labour costs. So the minister is wrong in precisely the year he says was used to justify the program brought in last fall. Will the minister now concede that he was wrong and concede that the program has no intellectual justification and is morally offensive to working Canadians?

Mr. Macdonald (Rosedale): Mr. Speaker, I would ask the hon. gentleman to read my answer. As in previous ones I pointed out it was the anticipation of increased settlements of 20 per cent to 30 per cent which would have had this impact on Canadian business. We were not looking back over our shoulder and pointing a finger at what Canadian business and labour had done in the past; we were looking ahead and saying if they get this kind of settlement in the future then we will not be in a position to compete. It was for that reason we made efforts to restrain the increase, among other things, of wage rates in 1975. The fact that we were able to restrain them is some credit to the program.

REQUEST FOR FIRST QUARTER FIGURES SHOWING WAGE INCREASES

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, what the minister has said is just rubbish. He knows very well the government had no program in operation until the end of 1975. He shifted from 1975 in his argument which was of his first answer, to "anticipated" increases in 1976. I

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should like to ask the minister if he could provide us with first quarter figures comparing wages and salary increases in Canada with other countries to document in some way support for the argument he has just recently provided in that answer?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the hon. gentleman said I shifted. I would repeat for the third time: we were talking about anticipated labour costs. The hon. member has talked about things being morally offensive. I find it morally offensive when I have said one thing and the hon. member keeps pretending I have said another.

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[Translation]

BILINGUALISM

SUGGESTED REDRESS OF INSULT TO FRANCOPHONES AS RESULT OF AGREEMENT WITH AIR TRAFFIC CONTROLLERS

Mr. René Matte (Champlain): Mr. Speaker, my question is directed to the Minister of Transport. I am sorry to repeat it, Mr. Speaker, but there is interference in the unilingual communications.

In view of the many protests provoked by the action taken by the Minister of Transport in the conflict opposing him to CALPA and CATCA, and as even the right hon. Prime Minister seems to have recognized the gross error the infamous protocol of agreement constitutes by accepting the resignation of the Minister of the Environment, can the minister tell the House what steps he intends to take to make up for the affront he made to all French-Canadians generally and Quebecers in particular?

[English]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, since it has been asked in those completely inappropriate terms it would be impossible to grapple with the question.

[Translation]

PROTESTS AGAINST AGREEMENT WITH AIR TRAFFIC CONTROLLERS—GOVERNMENT ACTION

Mr. René Matte (Champlain): Mr. Speaker, I think the minister is entirely mistaken when he answers this way, since the words I have just spoken are far from being of the same sort as those he used in his agreement.

In any case, I should like to ask him whether he is aware of all the protests and if he received some, particularly from Quebec. Would he then be prepared to tell the House what he intends to do in the light of these events?

[English]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, of course I am conscious of the concern expressed, particularly in Quebec, following the memorandum of understanding with CATCA and CALPA. It was obvious to me that a good deal of the concern was based on a fundamental misunderstanding of that memorandum and I have been endeavouring in every way I know to reassure the people in Quebec by restating that there is no move by