

need them. If the government wants to take a step now to deal with inflation, a step that would be relevant to most Canadians, it should accept a number of the suggestions I have just made and bring in legislation in the next few weeks. We would guarantee speedy passage, and I am sure that Canadians from coast to coast would be pleased.

● (1700)

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, we have before us a motion enabling us to discuss the uncontrolled and inflationary thrusts, as shown by the figures on the cost of living.

Mr. Speaker, as most people do we are wondering if the government can do something. It is obvious that the government could act and if no efficient step has been taken up to now it is not, in my opinion, due to a lack of authority or information, but it is rather a form of inaction bordering on complicity and, in the present system, I suppose, similar conditions must be expected.

In short, this government having been elected by financial magnates, it is clear that they must be reimbursed now and they must even make reserves in anticipation of the next election.

It is true that the government has recently adopted legislation to fight inflation. However, we can rightfully be in doubt about the outcome of these measures. The proposed aim may appear honest, but the expected outcome may not only take long to materialize but fail completely because some of these steps seem to me to be based on wrong assumptions. And among those which are offered now, I take the liberty of singling out some reports published by Statistics Canada, including last spring's edition which argued that the cost of living had increased by 41 per cent since 1961.

Together with the majority of the people, I claim that the published figures are completely wrong, ridiculous and unrealistic. We know quite well that in 1973, we cannot buy with \$100 what we could obtain for \$50 in 1961. On the other hand, a survey made recently by an independent firm, still honest apparently, claims that in 1949, for instance, it cost a family of four \$47 a week to live whereas today the same family spends \$147.

However, to come back to Statistics Canada, I take my hat off to the officials who amuse themselves juggling around consumer price figures. The reports and figures of those civil servants prove that they are real acrobats. They adjust figures, start their calculations over again on the basis of that ingenious device called the "consumer price index" which dates back to 1939, that is, the year where economists playing heads or tails decided it would serve as basis for graduating the economic thermometer. The scale was based not on the sea level, nor did it start at zero, but on the figure 100. That had been selected as a basis from which they would play at adding or subtracting, according to any decrease or increase in prices.

In 1949, the indicator had already gone up to 169 compared with 1939. The government of the time then wisely took the decision of bringing the indicator back to 100, that is without taking into account increases registered between 1939 and 1949.

Cost of Living

In 1961, the thermometer was already up to 129. The government therefore plucked up courage and, facing its responsibilities, took a decision heavy with consequences, that is to base again the scale on the figure 100.

Since then, about fifty investigations have been launched by the government to study all kinds of things, including poverty and all the other problems which could be of interest to the population. Eventually, in July 1973, the index, which had come down to 100 in 1961, had gone up to 151 already, which amounts to 193 as compared with the figure of 100 selected for 1949.

Mr. Speaker, if I allow myself to question those figures, it is because the events are offering me the opportunity. Since then, those belonging to mighty unions, for instance, besides asking for increased salaries, are now adding another parameter, namely the cost of living. A union leader was saying a few days ago that the increase in salaries obtained by united workers with great difficulty for a period of three years had been completely nullified. However, those working for big companies, or who are members of big unions, succeed in negotiating, and will be able for some time still to cope with the rise in the cost of living. However, we should seriously think about the non-organized, about those whose salary has been frozen for years and also about the pensioners whose income has been frozen for years even though they must pay for a loaf of bread the same price as those earning over \$200 a week. Thousands of average salary earners are today poverty stricken.

In my opinion, one of the reasons for this inflation is because we are still living under a monetary system which was tried 100 years ago and received no improvement while, in the meantime, everything was modernized. Everything is going fast whether it be in the field of trade, industry or any other area. But thanks to all kind of innovations, thanks to science, the average citizens should expect their working hours to be reduced and to enjoy longer vacations. The worker is no longer alone; he is assisted by all kind of machines. From the most modern computer to the heaviest machines, the white collar, the worker and all classes of society should benefit from marvelous inventions.

Unfortunately, the contrary is happening. The man replaced by a machine becomes unemployed. The man who sees all kind of new methods used finds himself without work and, unfortunately, those lucky enough to be on a pay list have to pick up the tab. This money used to pay for social welfare benefits, unemployment insurance benefits, pensions of all kinds, is taken from the wallet of those who are working. Financiers and big companies have been exempted from taxes at the expense of the worker. In 1940, the tax percentage paid by the worker was 40 per cent; it is now over 80 per cent. This is one more reason for inflation.

Finally, we also know that the worker who had to borrow to build his house has to pay for it three times over. He will pay the actual price to the builder of the house and twice as much to the finance company. So, in addition to paying his house three times, the man who has a job must pay for everything given to his neighbours. It is to break that vicious circle that we Creditistes propose that the amounts paid out in the form of pensions of all kinds in Canada be taken out of new credit.