

Anti-Inflation Act

anyone to see, and has been with us over the past few years rather than the past few days.

It may be a partisan thought on my part, but I wonder how that scantily clad girl who was depicted in Liberal ads during the last election campaign, sitting on large blocks of ice and shivering over the prospect of short-term controls is going to survive the government's announced long-term controls. This government has a big job to do in selling its program. I hope that the government and members supporting it will come to realize that unless they are prepared to deal honestly and fairly with the public, including the immediate presentation of fiscal and monetary policies to deal with the fundamental or root causes of inflation, they will have a very difficult time sustaining a program of controls—and will do a disservice to our country.

Mr. Jack Murta (Lisgar): Mr. Speaker, I rise with mixed feelings to take part in this debate which is one of the most important debates we have had in the House of Commons for a good many years. It is interesting to see, after all the talk of price and wage controls and price guidelines which took place in the 1974 election, Liberal after Liberal literally reversing himself in the debate which we have had in the past week.

An example of that was the speech given by the Minister of Agriculture (Mr. Whelan) last night in the House in which he contradicted himself completely. Basically, what he said was that the Conservative and Liberal programs are very different and cannot really be compared. It seems to me that the object of the game, so far as the Liberal party is concerned, is to stay in power. So far as their policy is concerned, their principles are very few and far between. They use everybody else's ideas, or they try to ignore the problem in the hope it will go away or solve itself. If it does not, they often act in a half-hearted manner.

I think we are all indebted to the Leader of the Official Opposition (Mr. Stanfield) who had the courage and foresight to conduct his campaign in the 1974 election on the platform of price and wage restraints. What has happened since 1974? The government's inability to act has made the problem of inflation in Canada even more urgent.

There are several aspects of the bill which the Conservative party will want to consider when it goes to committee. But first I should like to point out that the length of time during which these controls are to be in effect under the legislation is too long in the view of this party. Although there is necessity at present for controls so as to produce the psychological impact of dampening the inflationary spiral, if controls are left on for too long they will have a distorting influence on the marketplace. The longer controls are left on in an economy such as Canada's, the greater the distortions may become. There is that inherent danger in imposing them for a three-year period.

We on this side of the House urge the establishment of a full parliamentary review after one year. We feel that it is necessary to keep the public and parliament informed and, most important, to retain the confidence of the Canadian people, because this is what will be needed for an effective program of controls. So far as this legislation is concerned, it contains no provision for comprehensive reporting to parliament during the life of the program. Consequently,

[Mr. Hnatyshyn.]

we call for a review not later than one year after the coming into force of the legislation.

We believe that the program set out by the government in the bill before us is fuzzy both in principle and in detail. A good many people in Canada believe that for a program of controls to be effective in this country, it must be decisive and clearcut and it must include all segments of the economy in the initial period. This program allows for exemptions, and certainly in the initial stages it does not apply equally to all interested groups and all segments of Canadian society. Because of that, there is the chance the program may become distorted or ignored by certain sectors of our society. We all know that the people of Canada must be persuaded to accept the controls and must realize that any kind of control or restraint program is not only good for them in the long run but is vital for the survival of our economy.

● (1550)

Clause 14 of the bill requires the Anti-Inflation Board to keep its findings secret. We realize that a program of this kind will only work if some confidentiality is observed, and we feel that the program will ultimately be successful if the public has confidence that the measures are being carried out in their best interests. Returning to what the public perceives in this legislation and whether it can feel the kind of confidence which is needed to carry out this kind of legislation, clause 14 certainly will not instil any great amount of confidence in the Canadian people. The government must do more than simply carry out an elaborate public relations program. This is really all that is being done.

The other day, in Winnipeg, the speech of the Prime Minister (Mr. Trudeau) to a group of businessmen was another shambles. It was a lecture in very basic economics. This approach will not be sufficient if this program is to be sold to the Canadian people and if they are to have confidence in it. If all they see is a high profile public relations kind of program, the public will become more and more skeptical of this program because they will not feel that the federal government, its ministers and the Prime Minister are completely behind the legislation.

Another area of concern in this legislation for the Conservative Party is the aspect of price controls applied domestically but not on imported goods. This could cause Canadian-produced goods to be sent out of the country and hence, if the program is not carried out properly, we could see shortages developing in certain segments of the economy. There will be a greater amount of record-keeping and this can certainly be expected to be time-consuming and costly. This will be so for small business which will ultimately have to bear more of the burden because of the way the legislation is drawn up.

It will certainly prove to be an unfair burden on companies of various sizes engaged in the same industry and in competition with each other, because of the nature of the legislation. In addition, in some respects it will be unfair, for the same basic reason, to various segments of labour. This is because, once again, the legislation does not lump everyone together and impose on the economy the same kind of control for a short period of time in order to move into this aspect of breaking the psychological expectation