

*Anti-Inflation Act*

I therefore hope, Madam Speaker, that the Minister of Finance (Mr. Macdonald) will have enough leadership to force Canadian municipalities to meet around the same coordinating table, which would enable us to prevent expenses which could cause or continue to cause galloping inflation within this industry.

I have to add, Madam Speaker, that labour relations, mostly in other manufacturing sectors, have been a direct cause of inflation in Canada. We set records last year. According to the statistics published by the OECD, Canada is one of the countries which has lost the greatest number of man-weeks of work, which is certainly unprecedented in the history of Canada. I do not want to blame these strikes on the workers who decided to stop work for all the reasons that can be judged good and acceptable in an economy such as ours. However, Madam Speaker, social problems and the problems caused by these many strikes and the losses of man-weeks in Canadian economy have also been a very important inflationary factor. We must not think that legislation such as that which we are now discussing will bring a solution, a remedy to all these problems which are, in my view, inherent in the federal structure of our country and the economic structure in which we live.

There is also, Madam Speaker, another cause of inflation which, in my opinion, is given too little attention in the bill which we are now discussing. I want to speak about the wild prices policy practised by certain Canadian industries. I shall only mention the case of the sugar industry, which is a basic element in the manufacture of all the food that we eat in Canada. It is unacceptable that we experienced a rise in the price of sugar of more than 200 per cent whereas, within the same industry, the supply, the rate of supply remained at a normal and acceptable level.

Of course, legal procedures were launched and resulted in slowing down and even reducing increases, but obviously the manufacturing industry is largely responsible for the tremendous increase in costs in some sectors of supply.

It must also be pointed out, Madam Speaker, that some distribution agents practiced a disastrous supply policy. Suffice to recall that last summer we witnessed helplessly the destruction of hundreds of tons of turnips, cabbage and other vegetables because the other food chains would not buy the products the Canadian economy could supply on the pretense that they now had annual food contracts and the seasonal policy that used to be practiced was no longer adequate in our economy. How can one think, Madam Speaker, that in such an economy which is somewhat off course the causes of inflation are only the responsibility of wage earners.

I think, Madam Speaker, that it is time to draw the line and that the bill we are now discussing will not be enough to ensure balanced income, salary and price growth if we do not launch an overall attack on all fronts and not only through Bill C-73 but through the combines bill we passed last week and an unprecedented coordination of public expenditures in the political history of this country.

I pointed out at the outset, Madam Speaker, that the measures contained in Bill C-73 must be fair to everyone. I think after reading this bill that unfortunately it will not be fair to everyone. The first group of wage earners to be affected in an unbearable way by this bill is those wage

earners whose incomes are below the average minimum income or the poverty line as defined by the Economic Council of Canada.

In a report published by a Senate task force in 1971, income brackets were set for families of three, four and five children. In 1972, for example, Madam Speaker, the minimum average income for a family of five children had to be \$6,850. If we add the 10 per cent inflation for the years 1973-74, we arrive at an average minimum income of \$8,200.

However, if we look at the incomes of those groups of wage earners within the classes of the minimum wage scale, we find a total income of \$6,850; in other words a family whose only income would be the minimum wage or the minimum wage scale would be below the poverty line as defined by the Economic Council of Canada and the Senate report on poverty.

Madam Speaker, we learned in the press during the weekend that at least one provincial government refused to follow a recommendation to increase the minimum wage on November 1. The Province of Quebec had a minimum wage of \$2.60 an hour and it was to be increased to \$2.90 an hour on November 1, 1975, that is within about 10 days. That 32 cents increment was made up of 15 cents for catching up and 17 cents for indexation. Therefore, the 15 cents constitute about a 6 per cent increment. Madam Speaker, in the wage scale which has been made public by the Minister of Finance, we see that an 8 per cent rate would be acceptable.

Consequently, all workers, particularly the 500,000 workers in Quebec who come under that minimum wage decree, will have to suffer the burden of the fight against inflation in coming months without even being allowed the 8 per cent indexation which seems generally observed everywhere.

Madam Speaker, I think we cannot accept a legislation whose effect would be to have wage earners who have no defence except a government decree carry the burden of the fight against inflation. It is essential that the burden of this attack on inflation be shared fairly across Canada and supported equitably by every Canadian.

I do not think, Madam Speaker, that we would improve the social climate if we were to force 500,000 workers in a province to provide for their needs with an income whose purchasing power is perpetually eroding. One has to have net people subject to the decree on minimum wages to understand how those people are directly affected by every parliamentary measures.

Madam Speaker, the worker earning the minimum wage rate for 40 hours' work gets \$6,800 a year. Because of the inflation which continually erodes the family budget, this worker has to work overtime to be able to maintain his income at or slightly above the poverty line.

● (1750)

I think, Madam Speaker, that the object of Bill C-73 is not to place the excessive burden of our attack on inflation on the backs of the small wage earners. The reasons put forward by the president of the Minimum Wage Commission in Quebec seem unjustifiable to me in the present economic situation.