

Supply—Finance

Mr. Douglas: I should like to thank the committee, Mr. Chairman, and I will try not to impose too much on its kindness.

We have advocated a prices review board. Yesterday the minister indicated that he is now going to set up such a board. People often ask me whether I get worried about the Liberals stealing our ideas. I do not mind them stealing our ideas, but what worries me is that they just steal the words. All we are going to get is words. This is not going to be a prices review board. The minister is not even sure it will require a bill. It is not going to have any statutory authority or power. It will be a glorified better business bureau located in somebody's office collecting statistics in order to state two years after a price increase has taken place that it was not really necessary. That will do the consumer in this country a lot of good. It will certainly make the housewife happy to know, two years after she has been paying the increased price, that the increased price of sugar or some other commodity was really unjustified.

● (3:40 p.m.)

Let me suggest to the minister that if he is really going to grapple with rising prices he is not going to fool the Canadian people by providing a toothless watchdog with no power except to bark, and then softly because it is old and weak and has been given no authority by the government. Therefore we shall continue to press the government for a genuine prices review board with power granted by both the federal parliament and, where necessary, the provincial legislatures of this country to impose selective price controls on any commodities where it has been demonstrated that prices have risen without any proper justification.

Our second proposal is that in order to stimulate the economy one of the most immediate things the government could do would be to undertake a housing program that would build a quarter of a million to 300,000 houses this year. The multiplier effect applies to house construction. All the materials can be produced in Canada; we do not need to import one commodity to build houses in this country. The employment such a program would bring to the construction industry, the industries which manufacture construction materials, the logging camps, the lumber industry and the transportation facilities of this country would be tremendous. We could reduce unemployment substantially by

a massive housing program, a housing program that would build homes for ordinary people, not just massive, high-rise apartments for the wealthy, not the kind of program we have today under which you must have an income of \$8,000, \$10,000 or \$12,000 a year before you can qualify under the National Housing Act.

We have advocated and do so again that the government ought to establish some priority for the use of our investment capital. We ought to be able to allocate capital in this country according to our social needs. I said a few moments ago that what we do now is allocate capital by putting it up for auction and those who can afford to pay an interest rate of 10 per cent, 11 per cent or 12 per cent have no difficulty obtaining capital. If municipalities, provincial governments, small industries and small businessmen are to get capital there will have to be an allocation of capital on some basis of priority predicated on, first, whatever will stimulate economic growth and, second, whatever will improve the quality of life for the great mass of the Canadian people.

We have capital in Canada. On a per capita basis the Canadian people are among the highest savers in the world. But a lot of our capital is frittered away. A report which appeared in the *Globe and Mail* shows that for the first 11 months of 1967 we had a deficit in our international transactions in outstanding securities of \$323.2 million, 40 per cent below the previous year. We have money in pension funds, insurance funds and trust funds that could be mobilized and put to work to promote economic growth and full employment.

We could do what the government has been promising to do ever since it took office, namely, set up a Canada development corporation that would mobilize the savings of the Canadian people and send those savings marching into battle in the war against poverty, economic stagnation and unemployment. But the Canada development corporation still remains a will-o'-the-wisp; nothing has come of it.

The fourth thing we have suggested is that the government must restructure our tax system. I will not take the time of the committee to go into some of the recommendations of the Carter commission, but I say to the government that with this report in their hands it will haunt them unless they have the courage to put those recommendations into effect. The Canadian people have long suspected