

Emergency Powers Act

watch the building burn. I am sure he would tell his men something like this. He would say: "Let us watch this fire; let us proceed cautiously; let us consider it; let us analyse it, by all means let us have our trucks ready for any eventuality." But if the minister acted as he is acting tonight, the building would be burned down before his men got to work.

That is exactly what this government is doing tonight, Mr. Speaker. They are watching Canada's inflation fire burn, and they are not turning on their main fire hoses to put it out.

A few days later the Minister of Finance made a speech about controls, and what did he tell us? Well, on page 300 of *Hansard*, speaking about controls, he told us that the government—

—will use them to the extent that we believe they may be necessary.

To what extent, Mr. Speaker? When will they be necessary? Must the cost of living index go to 185? Must it go to 190? Must it go to 200? The minister did not tell us. He went on—again I quote from *Hansard*:

This is one of the things you cannot cure by passing a law.

Perhaps the minister is right, but I remember in the war years that they did stop prices going up or they did halt inflation, by passing a law or a series of laws.

Mr. Abbott: No, they did not.

Mr. Thatcher: But I beg to differ; they did.

Mr. Abbott: No, they did not.

Mr. Thatcher: I say to this parliament—

Mr. Abbott: Concealed it for a while.

Mr. Thatcher:—the cost of living index went up very slowly in the war period, compared to the way it is going up today. I say to this parliament that if we pass a law today perhaps we could not stop inflation; but I will venture to say that we could alleviate it a good deal and at least halt the rapidity of price rises. Finally, the Minister of Finance concluded with these words:

I do not believe that a system of over-all price or wage controls would be either desirable or effective at this time.

I suggest that no one can take from such a statement any indication that the passage of the legislation now before us is urgent. There is certainly no assurance that if it is passed it will be used. I say that from the statements made by the ministers it is perfectly obvious that the government does not mean to take concrete action in the way of implementing price controls in the near future. At best this is fence-sitting, pussyfooting, stand-by legislation. It is simply a sop to public

opinion. The government's present policy shows complete reluctance to take action unless forced by the pressure of future events.

I will go further, and say that there is every indication that the government will not bring in price controls under any circumstances, if it can avoid them. Why otherwise would they be letting out all the trained personnel of the wartime prices and trade board? Why otherwise would they be dismissing or transferring these men who should know something about the administration of controls? It does not make sense. Either the government has no intention of bringing in controls in the foreseeable future or it is acting in an unbelievably shortsighted way.

I say that something must be done by this government in the near future to deal with inflation, or Canada is going to face grave and serious labour troubles. We have seen serious strikes in other parts of the world. A similar condition may be closer than many of us think in this country. Canadian labour, whether organized or unorganized, whether of the farm or of the factory, will not stand idly by indefinitely, watching its earnings and savings vanish needlessly, because their government shrinks from taking decisive action.

I say that through hard, bitter and practical experience most Canadians do not believe that the anti-inflationary policy of the government will be effective, unless it is supplemented by price controls. Therefore this party suggests to government members that they either stop inflation with their own methods, or adopt methods which are suggested elsewhere in the house. I commend to hon. members the words of Charles E. Wilson, the United States defence mobilizer, as reported in *Time* magazine. Dealing with the United States situation a few weeks ago this great industrialist said:

There is only one answer—controls. I hate the word—so do you. But there is no other way. Voluntary methods will not work. That has been proved. The power of law must be invoked . . . for prices, rents and wages—for whatever controls are necessary to prevent inflation, to promote production for defence, and provide a fair distribution of commodities among all our citizens.

This party concedes that controls are not the final answer. By themselves they will not cure the unbalance between supply and demand. But they will hold the line. They will protect the Canadian citizen while more effective and permanent cures are brought into being. We in this party are under no illusions. Along with controls must come a tough, stern and unpleasant fiscal policy, including above all a steep and heavy program of taxation. Even with the use of all the weapons which we have at our disposal, this parliament may fail to conquer inflation,