

case, I think there is a place for some of us to stand and plead as strongly as we can for the practice of fairness.

Economic controls are difficult to take. They have been referred to as "rough justice" by the Leader of the Opposition (Mr. Stanfield) and they have been referred to as "unpleasant medicine" by spokesmen on the government side. I suggest that because these controls are difficult it becomes terribly important that fairness be practised. Indeed, I suggest that if gross unfairness is allowed and if gross unfairness increases, the whole program will fail.

The people of Canada are prepared to face up to a crisis. They are prepared to face a challenge, but they are not prepared to take lying down a program that has in it basic elements of unfairness. I call on the government to correct some of these instances of unfairness without further delay.

● (1650)

I said I would address my remarks almost exclusively to the groups which I think should be enabled to catch up. They, of course, are the groups at the lower end of the scale. I want to say as strongly as I can that it is not good enough for the Prime Minister (Mr. Trudeau) and the Minister of Finance (Mr. Macdonald) to give us the idea that if somehow the big people, those at the top, are called upon to practice restraint, this automatically will improve the situation of those at the bottom. It just does not work that way any more than the theories of Adam Smith worked successfully. He tried to tell the people of his time in his work "The Wealth of Nations" that if the wealthy were allowed to get wealthier, some of that wealth would trickle down and cause those down at the bottom to be better off.

We have learned that is not the way to achieve social justice. That doctrine will not hold any society together. I submit, in the same way, that if the government imagines that simply by imposing restraints on some of those who are labelled as big people, nothing needs be done to improve the lot of those at the bottom and that those at the bottom will simply enjoy a better life, this is completely wrong. I want to say to the government that at least one member on that side of the House seems to me to share that view. I thought he expressed it very well in the able speech he made yesterday. I refer to the hon. member for Maisonneuve-Rosemont (Mr. Joyal). According to the English translation which appears at page 8416 of yesterday's *Hansard*, he said about this legislation that a basic principle of social policy should be reflected in every measure under discussion, namely, that any fiscal or financial action that does not aim at narrowing the income range is socially backward and can have adverse social repercussions in our economy. A little further down he said:

If we look at the social groups affected by these measures, it is easily seen that this legislation will create in a very short time an unacceptable imbalance.

That is not a member of the New Democratic Party speaking; it is a member of the Liberal party. He is saying that the danger in this legislation is it will heighten the differences between those at the top and those at the bottom and will create an unacceptable balance. He said that again two or three times, but I like it as it appears at page 8419 of *Hansard*, when he said:

### *Anti-Inflation Act*

In the present economic conditions, a government must essentially propose as the aim of its fiscal, monetary and economic policy to shorten the gap between those at the very bottom of the wage scale and those at the very top.

The hon. member during a good deal of his speech dealt very effectively, I thought, with those who come under the minimum wage legislation. He had in mind such persons in all parts of Canada, but he referred particularly to those in his own province of Quebec where the minimum wage apparently is not to be increased as much as the law calls for because of the imposition of these guidelines.

I commend to the Minister of Finance that he read the speech of his colleague the hon. member for Maisonneuve-Rosemont, who made very clearly the point that this legislation will create an imbalance and will not meet the needs of our people unless it does something to narrow the gap between those at the top and those at the bottom. The Minister of Finance and the Prime Minister are trying to tell us that their proposed restraints on big business and big labour, and so on, will leave a little more of the pie for those at the bottom and that those in the lower income brackets therefore will be better off.

They also try to make out that the extent to which prices will be kept from rising will protect the position of those at the bottom without, of course, admitting that there is nothing in this legislation that calls for any direct control over prices. So, what we have is a bill that will provide fairly effective wage control over those in the lower and middle brackets, but will provide nothing for those at the bottom, while at the same time prices for them will continue to rise so that their position will get worse and the unacceptable balance referred to by the hon. member for Maisonneuve-Rosemont will be their lot in this country.

I said I wanted to deal particularly with some of the groups which in my view are covered by the sentence in the white paper which states that those who have fallen behind in the last two or three years should be provided an opportunity to catch up. I begin, as hon. members would expect, by referring to our old age pensioners. I am sure some members are ready to say—I have heard them say it when others have been speaking on this subject—that pensions are indexed and rise with increases in the cost of living.

That may be true in a legalistic sense. It is true in terms of the percentage of the rise in the cost of living as computed by Statistics Canada, but the fact of the matter is that for older people who have to live on the pension, particularly those who live on old age security and the guaranteed income supplement, the increase that they get every three months puts them in the position of always falling behind. The increase they get in January, April, July or in October is always based on an increase that took place over a period of six or eight months before that increase came into effect. In other words, they do not get the extra money when they need it to meet their rising costs, and when they do get it still further rising costs face them.

It is also a fact that the index is not related to the goods and services that senior citizens actually have to buy. I say the result is that those who live on old age security, and especially those who have to live on both the old age security and the guaranteed income supplement, are