was caused by the rapid devaluation of the dollar, and that the second round of inflation was caused by what might be called excessive demand through labour or collective bargaining by unions in our society. Today we see a government come forward with wage and price controls in a very sloppy and haphazard manner.

I think it is important to recognize that in 1974 the Conservative Party advocated a 90-day freeze and then a regular flow from that freeze. Today we see the sloppy application of a freeze, and a tightening over a 3½ year period. If there is rough justice to begin with it will be a lot rougher, and rigidity will be a lot firmer after 3½ years. To me this policy brings about a much deeper concern within me for this country of ours than I ever thought possible some 17 or 18 years ago when I first entered politics.

At page 8192 of *Hansard* for October 14 the minister is reported as having put forward this argument:

> The hard fact is that the Canadian economy today is being subjected to underlying, domestically—generated inflationary forces that are far more severe than those being experienced by most of our major trading partners.

I do not accept that philosophy. The severe conditions which exist here today exist among our major trading partners. I admit that our major trading partners are handling those severe conditions much better than this government. President Ford has advocated a severe cut-back of $28 billion in federal government expenditures in the United States. What do we see in this white paper, this glorified document? What do we see about government cut-backs in spending? Is there any comparable figure? Is there an amount of $2.8 billion, one tenth of the figure for the United States?

An hon. Member: There was an amount of $1 billion on June 3.

Mr. Horner: That was nonsensical. That was a wishful dream. We see the establishment of a board. The one critic who was really making hay with the consumers around here, whom I call the consumer advocate, is Mrs. Plumptre. She has been gobbled up by this new board and relegated to second position. No more will we hear from her, although she parted with dire warnings about the present situation.

At page 8193 of *Hansard* we see the following:

> We are suggesting that some members of this panel be nominated by provincial governments.

This is in reference to the Anti-Inflation Board.

> One of the functions of the board will be to carry out discussions with all parties involved in an effort to bring about compliance with the guidelines. If the issue cannot be resolved satisfactorily, the board may refer it to the enforcement authority—

I say to the minister and to the country that in many cases the provincial governments welcome this because it gets them off the hook. If the minister wants to subject that board to some kind of checking balance, let him place some members of the opposition parties on that panel. Never mind the provincial governments, they are glad to see Ottawa take the blame and they can say it is Ottawa's fault, their guidelines did not work. Let the government place some members of the opposition parties in the federal House on that panel. It is the federal House that governs all of Canada. It is from this place that Canada is governed, and that is the way it should be conceived and operated.

● (2150)

It is interesting to follow the defence by the Minister of Agriculture of the great marketing boards. The Minister of Finance (Mr. Macdonald) referred to agriculture twice. The first time, as recorded at 8193 of *Hansard*, he spoke about farm prices received by farmers and fishermen for their products which, he said, will be exempt from the guidelines. Then he said, as recorded on page 8194 of *Hansard*, talking about farm prices, that the government must ensure that its price and marketing system is not structured to maintain inefficient agricultural production and distribution.

I say to you, Mr. Speaker, and to members of the House that there is not one member of CEMA, and of the National Marketing Council governing CEMA, who does not know that distribution of eggs under CEMA is a catastrophe. It does not follow any natural, normal lines whatsoever. Evidently eggs are moving as they were a few years ago when they shipped eggs from Newfoundland to British Columbia and it was costing them 19 cents a dozen to ship them over that distance. Is there economic sense in moving eggs from Newfoundland to B.C.? When they got to B.C. they were rotten and had to be thrown out. The same system is being followed today. The only difference is that CEMA is doing a better job of covering it up.

If they want to study the distribution methods of agricultural products under the marketing boards, then they should be studied and they are there to be studied. I hope that Madam Plumptre and Mr. Jean-Luc Pepin can examine this very fully because I believe the inefficiencies are there in large doses.

Let us take a look at what they are doing. As I said earlier, this is a sloppy freeze doomed to failure. What is the consumer concerned about? First of all he is concerned about food. These controls do not control food prices at all. The board will look into the distribution of food and will look at the inefficiencies, but will they concern themselves with the prices? Not at all. Will there be a freeze on freight rates? No; this legislation will not control transportation freight rates, nor will it control the second most needed commodity in this country, namely, housing. New houses can fetch any price; this will not be controlled. They had a great scare in this country brought about by the inefficiencies of the Minister of Finance.

Will this piece of legislation control energy costs? Not at all. What three things does the average consumer need in this country? Food, housing and heat. This legislation does not control any one of these three things. Let us suppose you want to do something else besides eating and keeping warm. Let us suppose you want to venture out into society. For that you want to borrow money. Before we can go anywhere, we must become productive.

This bill does not control interest rates. The cost of money is rising. Money has become very necessary in doing business. What else does this legislation not control? The Prime Minister went up and down the country during the 1974 campaign stating clearly that wage and price controls or an incomes policy would not control the price