

Postal workers are concerned whether or not the result of negotiations between themselves and the Postmaster General (Mr. Mackasey) will be effective. Both are negotiating, as far as wages are concerned, on the basis that they will be exempt from the terms of this legislation. Of course, this indicates that there will be a large number of exemptions, and exemption may be the rule rather than the regulations being the rule.

● (1520)

This raises a fundamental problem for the minister and the country. I think it is safe to say that most Canadians have been of the opinion for a number of months, in fact for several years, that the federal government should take some action to eliminate many of the perils ordinary Canadians face due to inflation. All Canadians agree something must be done about inflation. But if anything is to be done on a national basis, the various segments that will be affected must be dealt with equally.

It is very easy for the minister to legislate against labour. Most people feel that big labour is in the same position as big corporations; they can make decisions which are not necessarily in the national interest and in some cases are not even in the interests of their own industry. However, when the ordinary people of this country are asked to restrain voluntarily their desire for a wage increase, for an increase in fees for services or their salaries, they should be assured that this restraint is applied equally across the board.

During the last war some people were of the opinion that if you had enough money, you did not have to go to war; you could get out of being conscripted or of having to volunteer your services. If you were well enough off, you could buy your way out. Great objection was taken to this. I will not mention some of the famous people involved, but I am sure there is still resentment among those who served because everybody was not treated in exactly the same way.

There will be inequality under this legislation, and in the main it will be two classes of people who will suffer. The first is those who have entered into negotiations, which might have gone on for a considerable period of time, and who are not able to convince the Anti-Inflation Board that they should be exempt and allowed to get the full benefit of any wage increase for which they are bargaining. The other class of people is those who are not able to bargain effectively for an increase in their wage structure—the unorganized.

Less than 25 per cent of the labour force in Canada is organized or in a position to bargain in some manner. The other 75 per cent is not in a position to bargain. Will they be assured the minimum \$600 or maximum \$2,400 increase? In no way will they. There is no equality or fairness in that case. Those at the low end of the income scale are likely to stay there; those at the top end, such as members of parliament and others, will get the full \$2,400. I hope they will not get any more, but they will get the \$2,400. Old age pensioners, those on assistance, war veterans, those who receive the minimum wage, have no way of bargaining for their minimum \$600 increase, and I can see no way that the minister will give these people their equal right to the minimum \$600 for which other people can negotiate.

#### *Anti-Inflation Act*

In days to come when people find there are no controls over commodities they have to buy and when they know that the large food chains will be able to justify every quarter the income from their total operations, the seven or eight commodities which are the necessities of life for the people of this country who are living at the old age pension level, on assistance or who receive the minimum wage in the provinces, are going to increase in price.

Without equality, it seems to me that this legislation is going to fail. It is going to fail because it will not have the support of those who know that their incomes are being controlled because it is easy to control them—mainly wage earners who negotiate their own wages. The corporations will remain uncontrolled because they will be able to publish their profits and distribute them in such a way that they appear to be limited. The small, independent people of the nation will find themselves the victims of increased prices. The indication is that the price of basic commodities will rise from 9 per cent to 12 per cent in the coming year, and these people will find no corresponding increase in their incomes to enable them to buy these commodities.

This is not good legislation. It is not the sort of legislation that we should ask the ordinary Canadian to put up with. No action has been taken to control the financial institutions, and are they not partly responsible for the trouble we are in? Is the Minister of Finance (Mr. Macdonald) not surprised to find, when he deposits \$10 in the bank, that the bank can lend that money and get 10 per cent interest on it? The bank can make almost as much money by way of interest as the amount that is deposited in their bank.

Is it not time that we examined some of the segments of the economy that we can do something about? One is housing. We can do a lot about housing if only we are smart enough to control the banks to the extent that they have to make available mortgage money at 6 per cent. At the moment they are making a killing. I suggest that nobody buy the stocks of mining or oil companies any more; let them buy the stock of a bank where they will make more money. I suggest there must be something wrong with a system that means a person has paid \$125,000 for a \$35,000 house when the mortgage is paid off. This one aspect the minister has not looked at at all.

Another facet that has not been referred to to any extent is the indication given by all financial institutions that these restrictions will mean that unemployment in Canada will increase. Companies in a given industry will be unable to compete with their competitors because they will be unable to get an exemption. As a result, it seems to me we will have more unemployment. This, in turn, will mean that agencies responsible for providing at least some sustenance for those unable to work over a long period of time will require additional funds, which will add to the burden of the municipalities, the provincial governments and should add to the burden of the federal government.

● (1530)

When I asked the other day if the minister had any intention with respect to programs he was going to institute to compensate the unemployed in the country because of the effects of this legislation, he said the government