

*Anti-Inflation Act*

cause inflation; they are the first victims of inflation and the ones who are hit the hardest.

● (1540)

Surely it is not right to apply these restrictions to old age pensioners and to people who work at the minimum wage who have no union to bargain for them. Those people make up two-thirds of the work force of this country. They would receive smaller increases from their employers than they presently do, were it not for the precedents set by organized workers who are able to obtain higher increases through the bargaining of their unions. There should be total exemption for people on low incomes. If the government thought that anything below \$10,000 was too generous, surely there should be a total exemption for anyone earning less than \$6,000 or \$7,000 per year, no matter how the income is arrived at, whether it be pension, wage or salary.

For the minister to suggest that hitting big wage and salary earners, big companies and big labour will somehow help the little people because it will reduce inflation is some kind of sophistry. Economists whose comments I have heard in the last few days have said that there is no doubt this program will have an effect on the rate of inflation, but the effect will be to cause the rate to reduce by no more than 1 per cent or 2 per cent. That kind of insignificant effect on inflation will not be of much value to the little people; it will be of greater value to those on high incomes and to those corporations which make nice profits. It will be of little consequence to old age pensioners or to people working at the minimum wage. Inflation will be only 10 per cent instead of 12 per cent.

In regard to people living on pensions, I have listened to hon. members on the government side telling us not to forget that there is an escalation clause for old age pensioners, people on income supplements, veterans pensions, and so on. That is quite true, but the escalator clause was applied to basic pensions which at that time were already too low. Since it was implemented, all the escalator clause has done is alleviate the situation of the old age pensioner in the sense that he is not as badly off as he would otherwise have been. Regardless of the escalator clause, the old age pensioner has still become worse off, although perhaps not to as great a degree.

If the government will not change its mind about who can receive the \$2,400 and who can receive the \$600, it should at least indicate that those who are on incomes such as the minimum wage, old age pensioners and those on guaranteed income supplement, shall be guaranteed a minimum of a \$600 increase in the first year. That means an increase of \$50 a month in the old age pension, immediately. Let us make sure they receive that \$600; let us not just leave it in the guidelines as a piece of fantasy. How will these people receive an additional \$600? The province of Quebec has already lowered its projected rate of increase in the minimum wage. Let us request, or require the provinces to raise the minimum wage, and let the federal government give the lead by increasing the present minimum wage so that those who work at the minimum wage will receive at least \$600 more in the first year of this program.

[Mr. Benjamin.]

If we want co-operation, support and even some element of enthusiasm for a fight against inflation, these are the kinds of measures we must take, and we must incorporate them into our program of restraints. I said earlier that it is not good enough just to fight inflation in isolation. Unemployment is a more serious problem than inflation, and in conjunction with the battle against inflation we should be carrying on a battle against unemployment.

The question of housing has been raised repeatedly in the question period since we returned after the recess. If we want to do something about a social right and need, the right and need for a decent home and employment, and to control inflation in conjunction with the program of restraints on wages, incomes and prices, there should be an injection of an additional \$1 billion or \$2 billion into housing. The creation of employment and the forcing down of the cost of housing could be accomplished in one move.

I was pleased to hear the Minister of State for Urban Affairs (Mr. Danson) announce today that those who had signed the agreement would come under the Assisted Home Ownership Plan and would qualify for the \$500 grant. In many of the provinces these people will also receive a provincial grant toward their down payment. The provision was that construction had to be 65 per cent completed by October 31. There are two housing developments in Regina of which I am aware where some of the houses will not be 65 per cent completed until the end of March. The basements are dug and the foundations might be poured. It is not the fault of the homeowner nor that of the government. In many cases it is not the fault of contractors; they are having difficulty obtaining sufficient supplies. I was pleased the minister said that the program is now extended to December 31, but I submit that is not good enough. Tens of thousands of low income families in this country will lose that grant if the government does not agree that all the houses which were under construction, no matter at what stage of completion, will be included in the program.

A family which was eligible for the \$500 grant from the federal government and \$1,000 from the provincial government called me last week. They borrowed another \$250 to enable them to raise the \$1,750 required for their down payment. Their house is only about 10 per cent completed. The builder and the realtor, with great apologies, said they would not have it 65 per cent completed until the end of April. I would hate to see this low income family have to take out a second mortgage to cover the down payment, because we all know what that means in terms of interest rates and what it will cost them for that small amount of money. This is only one small example, but it is important and meaningful to thousands of people in this country.

I wish to say something about agriculture and agricultural products. The government's guidelines indicate that farmers and fishermen will be exempt, applying the farm gate principle. However, within hours of the guidelines being made known, the newly appointed chairman of the Anti-Inflation Board, and his vice-chairman, Mrs. Plumpre, in their first press conference indicated they intended to investigate marketing boards. I submit that they cast aspersions and suspicions on farm marketing boards which were entirely unjustified and unnecessary. If we are to control marketing boards, then the policy of the