

bottom. So we are not talking about a program of redistribution of wealth which this party for years has told the government and the Canadian people is needed.

The government permits a pitiable, minor amendment allowing low income Canadians to get \$750, while the top group is limited to \$2,400. It seems to me that if it were around so that the top would get the \$750 and the bottom would get the \$2,400. Even with the proposals it makes there is no power for the low income earners. They have no opportunity to obtain even that \$750. They have to have some process through which to approach their employers in order to get the \$750. They have to have some structure which they do not presently have. In effect they depend on the largesse of the companies for which they work to give them even the \$750. As we know, there are people—

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired.

[Translation]

Mr. André Fortin (Lobnitzère): Mr. Speaker, I want to speak, this evening, to Bill C-73, and more specifically to the motions now before the House, which motions stem from the work done in committee. Through the Prime Minister (Mr. Trudeau), the government put before the country a program to fight inflation. About that program: the Prime Minister turned it down during the last election campaign because, he claimed, the time was not yet ripe to fight inflation. At that time, whatever we may say, the government, as repository of the truth, claimed that the time had not yet come for it and that, consequently, the market should be allowed to work freely. Now, this year, early in the current session, the government, in dramatic fashion, announces an all-out fight against inflation, saying salaries will be controlled, unacceptable price increases will be prevented, and suddenly, the government centres that fight on a voluntary basis, which means that according to the government members the program will be efficient only to the extent where Canadians are willing to co-operate in the fight against inflation.

Some time day, the government decided to launch an attack against inflation after having—it will be recalled—consulted businessmen, labour leaders, and asked their participation, even before passage of the bill. It will be remembered that at the time, the reiterated appeals for voluntary co-operation went to no avail. That means that the government was aware, that it knew, when it introduced the bill, that voluntary co-operation had, if any, very little chance of success, since the predecessor of the present Minister of Finance, the Prime Minister and other ministers had already strongly urged the business community and labour to co-operate. Before this famous fight against inflation was announced by the government, the latter had been assured there would be no co-operation on a voluntary program, if not been told so categorically and almost unanimously.

Therefore, Bill C-73, intended to launch a fight against inflation is based essentially, and here I refer to the statements of the members of the Anti-Inflation Board—on the willingness of the people, big and small business to co-operate.

these products would be exempt from price control. These clams and salmon were packed for George Weston Limited, and in effect we have a price transferal system which can only result in the multinational corporations escaping from these controls. Yet the government asks the people to accept its program as fair.

The people have reason to be skeptical of the government's proposal. The government has said that a limited number of price increases will be submitted to the government before they take effect. How can the Anti-Inflation Board which will consist of 200 persons be able adequately to determine the intentions of the corporations in this regard?

The British experience shows that a similar system was in operation there between July, 1967, and June, 1970. Despite the British government's own estimate of three million price changes being made a year in Britain, only 2,162 notifications were received by that government over the whole three-year period. Of these, 1,807 were accepted as notified. This meant that out of 3 million price changes the government price control machinery either modified or rejected a grand total of 345, or .0004 per cent. If the British labour government's price control was as empty as this, it is easy to imagine how our government's price control will be under its program when we consider the close financial, personal, and ideological ties it has with big business.

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One reason why this party has rejected either an 18 month, a three-year or whatever it may be period for the program is highlighted by the policy in respect of wages. So-called price controls have grievous implications for workers who are subjected to the policy's wage guidelines. As we said, the maximum allowable will be 10 per cent, 8 per cent plus 2 per cent for productivity.

It seems to me there are two particular problems. The first is that the 2 per cent growth rate figure is a low estimate and runs the risk that actually the economy will grow faster and that the excess growth will go to profit, which the guidelines specifically allow.

Secondly, and even more important, the present rate of inflation is 11.3 per cent, not 8 per cent. If there is no change under the weak price controls, the real income of the workers, even including the 2 per cent for productivity, will fall by 1.3 per cent and they will get no share of the growth in output of the economy?

Who benefits in this program? The way the government has made it look it is as if the worst off will benefit, and that if you can put the cap on the top somehow or other, by some means of osmosis, those who are the worst off will benefit. That is the kind of impression they have tried to leave. This policy our party has said, and says again, is not designed to redistribute income but is designed to freeze the present distribution of income. Since everyone is to get the same percentage increase, whether their income is high or low, this means we will create a situation in which the top 20 per cent of the income recipients will get 50 per cent of the total income while the bottom 50 per cent will get 2 per cent.

In effect it is not only a freeze but, as my leader points out, it even widens the gap between the top and the