

Canadian Economy

I would also like to refer to what was done in the United States, because the point was raised a while ago. Price and wage controls in the United States seem to be placed in a context far removed from reality. They do not exist since 1970 in the U.S., they have been in existence for more than 30 years! They were imposed and removed from time to time. But they were not a success in the United States according to some American economists I met. They told us: We had several problems. We were told that thousands of civil servants would be needed to set up such a structure in our country. It is exactly what the Canadian government said. Then, we followed another course.

Just the same, one thing must be admitted: in the United States, the rate of inflation is now lower than it is here. There might have been some deficiencies in their system, as I said earlier, but what is good and useful in it might be adapted to our needs. That is what the anti-inflation act, Bill C-73, does at present.

There is also a point that our socialist friends do not mention very often, that productivity in the United States which is much higher. Now, some union leaders I met there take a quite different position. In some cases, those people not only restrict their demands on the tax revenues, but they also ask for salary cuts in some cases. I did not see that here, Mr. Speaker. I do not say we should follow that course, but I wish only to mention that there is in the States a quite obvious sense of responsibility that does not exist here within our unions. Maybe we should look more fully into that situation and ask everyone, since it is the subject of the bill under consideration, to participate in a reassessment and to ensure that our productivity is in proportion to our demands on the economy.

Another point which was previously mentioned is the fact that 29 per cent of our products are imported. We must realize that although this country is endowed with extraordinary resources, it also has a very harsh climate. A glance through the window today will be enough to convince us that we are living in a country with very rough climatic conditions. I am told that at this very moment the city of Toronto is totally paralyzed by a snow storm which is heading towards our area. So, this climate is not the best for all kinds of crops. This is why we have to rely on imports. I believe the hon. member for Richmond (Mr. Beaudoin) made that point this afternoon. I have no objection to imports because they are a necessity.

But what do we have in the present legislation? It says: All right, there are world prices, world markets, and we are now going to apply controls within our boundaries, set up marketing programs and ask the cooperation of provincial governments. It will not be easy.

I must admit that there was some abuse in that area. I myself was in that business for years and I could talk about it at length. However, I do not think this is the right place. Just the same, there is one thing we should consider, and the government does so. Farmers made justified representations, saying their revenues are not in keeping with their contribution to the Canadian economy, and I agree 100 per cent with them. But I say the government should stop and consider the very wide gap between farm income and consumer prices. That wide gap is not justified in some cases. I think that is where the problem lies, and where this bill will apply.

The question of the social climate was raised and is properly mentioned in the motion. And time permitting, I wish to address the House for a few minutes on that subject.

We have to admit first of all that there is no such thing as perfection on earth. But there are certainly in the social climate, in the areas with which some of my colleagues are familiar, some determining factors for the Canadian society. An hon. member earlier mentioned the guaranteed annual income. If we consider that 56 per cent of the federal budget, as the hon. member for Athabaska (Mr. Yewchuk) said, is transferred to the provinces and individuals, it is obvious that this equalization contributes to a better social climate, but is also a source of problems for managers. Therefore we should ask ourselves: Is that justified? In my opinion, it is indeed.

Secondly, does this help those who are most in need in our society? This is a very far-reaching question, Mr. Speaker, and we could spend a lot of time talking about it. But I believe that the programs that have been created, submitted and approved by this Parliament contained some factors which improved the social climate. I can list these programs: There is health insurance and also unemployment insurance, which constitute a transfer to individuals. This is costly, but we must ask ourselves one question. We must revise the position not only of individuals, but also of the government, whatever party is in power. We must ask ourselves a more far-reaching question than that. Does each level of the government now receive its part of the fiscal pie? In my opinion, that is valid question. I did not see it in the motion. It could have been brought up.

Mr. René Matte (Champlain): Mr. Speaker, the motion we are discussing today is obviously very timely. The lack of foresight in the direction of public affairs must certainly be noticed by the whole Canadian population. This lack of foresight is made even worse by the fact that all the data concerning this quasi catastrophic situation were clear and obvious several years ago. The problems were therefore systematically clouded. People were blinded to the facts on purpose. The last two elections showed the blatant inconsistency of government leadership. I would like to point out in particular the action of the Prime Minister during the last election campaign. How lightly, and I must also say how skilfully, he denounced and ridiculed the price and wage freeze proposal advocated by the Progressive Conservative party. Furthermore, how frivolously did he move about on the "Trudeau express" inviting people to come and see the train and admire Mrs. Trudeau and the two little Trudeaus at that time.

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Mr. Speaker, we were then in a deep period of inflation. Can that be called leadership? How remote was that from considering the real solutions that were needed to remedy the problems of the day? That lack of leadership brought this government to accept today what it was laughing at heartily yesterday. And we now have that Anti-Inflation Board which wants to control prices and wages. Already, as our motion suggests, we have repercussions of that government's action and already we can feel it is leading to a deterioration of the social climate. Already we see that it