

However, I would not accept the view of the hon. member for Peace River that the proposition can be put to the House in one package. These must be put to the House as separate propositions, in my opinion.

**Mr. Deputy Speaker:** Order, please. It is comforting for the Chair, embarking on the maiden voyage in ruling on a matter like this, to have had the assistance of the President of the Privy Council (Mr. MacEachen), the hon. member for Peace River (Mr. Baldwin) and the hon. member for Winnipeg North Centre (Mr. Knowles). One might be over-awed, at some other time, by the advice coming from such quarters. However, it seems to me that nobody presented a good argument for the subamendment to be merged with the motion and voted on in the House, and nobody seemed to feel that great damage would be done if the Chair were to rule that the subamendment could not be accepted now, as hon. members will have an opportunity to move the same amendment at a future time. That is not to say that the Chair would necessarily accept such subamendment then, either. In any event, having given these short reasons and being thankful for the participation of experts on the rules of procedure, I must regretfully declare that the subamendment as proffered is, at this time at least, out of order.

[Translation]

**Mr. René Matte (Champlain):** Mr. Speaker, the subject matter of the motion now before us has been discussed for a good many years. As a matter of fact, intermediary or even government bodies have often studied the problem which we are considering today. There are two alternatives: either the government, in view of all the information which has been provided about this issue, does not now dare introduce the appropriate legislation, or all commissions and special committees which have already inquired into the problem have made recommendations which do not correspond with the government's intentions.

Now that everything is clear, Mr. Speaker, I wonder whether we should set up a joint committee of the Senate and of the House of Commons to review the problem of increasing prices. Surely we will approve new measures, but on the understanding that instead of doing nothing the government introduces in the very near future some measures based on studies which have already been made or which will be. In fact, I suggest that studies which have been made to date have provided enough information to justify the passage of legislation in the very near future.

To substantiate my allegations, I have here the 4th report of the Special Joint Committee of the Senate and of the House of Commons on Consumer Credit (Prices) tabled during the first two weeks of September, 1966, a committee which made very specific recommendations, but which remained in limbo. Will this new joint committee lead to the same results? If so it is a loss of time for Parliament to proceed with the setting up of this committee, and all the more so since regularly every year and every month in newspapers and journals we read articles in that connection.

If we only keep turning in a circle, Mr. Speaker, no doubt it is because we forgot all about the fundamental principles which should govern consumption. And one of

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these is simply that consumer goods should be paid at the real price of production, and if we do not try to find solutions with this fundamental principle in mind we shall never solve the problem. It is useless to talk about price control if we do not base our future legislation in this regard on essential principles.

• (1610)

What is causing prices to rise, Mr. Speaker? What is the reason for these increases which are often if not always exorbitant? What are the factors responsible for such a rise in prices?

People are willing to make studies; some have been made. All sorts of reasons are given but, unfortunately, the real ones are evaded. Mr. Speaker, do prices increase because food products are scarce?

By virtue of the law of supply and demand, if they were it might be justifiable to consider some increase but can one logically believe in a scarcity of goods in a country like ours where all resources, and in particular, food products exist in abundance? Indeed, we have so much that our problem often is that of knowing how to dispose of them. It cannot therefore be a problem of scarcity. We have here all we need for a balanced diet. Except for bananas, oranges and lemons, I believe we have all we need in Canada to feed our people well. The increase in prices is therefore not the result of a scarcity of food products.

In the last few years, legislation has been passed, rules have been adopted, like those that apply to the Canadian Dairy Commission, forcing milk producers to reduce their production. When small farmers and small milk producers were forced to give up their businesses, was there a shortage of goods? No, Mr. Speaker.

Therefore, there is no shortage of goods in Canada. Food products exist in abundance; we even try to export them, and that is one of the main problems of the government and especially that of the department of Industry, Trade and Commerce which tries to find markets for our produce.

In addition, can it be said that price increases are due to a scarcity of goods, when we know that over 500,000 workers, ready to promote greater production in the country, are unemployed?

Mr. Speaker, those people, should a scarcity of goods, develop, would be quite willing to take an active part in production. The problem does not lie there. What are the real reasons, unfortunately overlooked, which result in price increases? There are in the first place direct and indirect taxes which push prices up because all are ultimately included in the price of goods and are finally paid by consumers. This is one of the reasons. Consequently, if we want to find a solution to the problem, we must consider tax reductions.

As governments at the federal, provincial or municipal level are digging as much as they can in the taxpayers' pockets to levy funds, one can be sure that those tax increases involve price increases especially in the case of food. That is the first important factor to be considered. If we do not intend to reduce taxes, it will be very hard for us to solve this problem.