

*Emergency Powers Act*

consumer. It has been pointed out on numerous occasions in this debate that this is not a new problem. It has been going on for some years, but it has become particularly acute since the Korean war started, this last six or seven months.

What steps has the government already taken to cope with the problem? The steps which have been taken were outlined by the Minister of Finance (Mr. Abbott), I think it was on February 12, when he outlined them briefly to parliament. These steps included most of the standard, orthodox, financial and monetary weapons which economists recommend in fighting inflation. For instance, the minister told us that ordinary expenditures were going to be curtailed. He stated that there would be higher taxes; that the budget would be balanced. He told us how the Bank of Canada had raised their rediscount rate. He related how the Canadian dollar had been released. He informed us that savings are being encouraged; capital expenditures are being discouraged.

With all of these measures this group takes no particular exception. We know that stern fiscal weapons are needed to drain off surplus purchasing power in this country. But this group does say that these measures by themselves will not work unless they are supplemented by price controls.

The government has hoped that its anti-inflation measures by themselves could keep prices down. Cabinet ministers have told us of their steps to combat inflation; but, as the leader of this party said a short time ago, the proof of the pudding is in the eating. And the failure of these measures which the government has taken is indicated by the fact that while it has been taking this action, the cost of living has gone up another twelve points. The government has failed so far to deal effectively with the inflation problem.

In view of the dismal failure, why even today is the government so loath and so reluctant to embark upon price control?

On February 8, the Minister of Trade and Commerce told us that the government intended to ask for wide and comprehensive powers. Can this parliament have any assurance that if we pass this legislation before us, if we give the government the powers that they are asking for, they will be used? I submit that if past records are any indication we cannot have that assurance. Last year we gave the government authorities which, while not as extensive, were very similar in nature to the ones they are asking for today, and a good many of them they did not use at all.

Can we have any assurance in the future that they will use these powers? Suppose we

[Mr. Thatcher.]

look at some of the statements which the various ministers have made since parliament opened? I think the Prime Minister was the first minister who spoke about these price controls. Among other things he said this, and I am quoting from page 29 of *Hansard*:

We are constantly considering the situation as it develops, and we feel that it is wise to proceed cautiously.

Again:

There will then be the possibility of providing such controls as it may be apparent would be beneficial.

Well, I say, Mr. Speaker, that there is no assurance from these remarks of the Prime Minister that price controls will be brought in.

How long is the government going to "consider" the situation? How long is it going to "proceed cautiously", and what are the circumstances that would make it "advisable" for the government to bring in controls? Certainly the Prime Minister did not give us any indication in his speech two weeks ago or in his speech this afternoon.

The next major speech made by the cabinet regarding price controls was made by the Minister of Trade and Commerce. He said in parliament in one breath that the government was seeking wide and comprehensive powers, but in the next breath he went on to tell us that the government had no intention of exercising those powers. The Minister of Trade and Commerce was magnanimous enough to say in his own words that "there is the possibility that events will develop" in such a way that we might use them. What events, Mr. Speaker? I wish the minister would tell us what events. A revolution? Nation-wide strikes? An atomic bomb on Ottawa? Certainly the minister did not give us much of an outline in his speech as to the government's plans for meeting future inflation.

If a fire is raging, the firemen use all the weapons at their disposal to fight that fire. Surely it is sensible for this parliament, in fighting the inflation fire which is raging in Canada today, to use all the weapons which we have at our disposal. Instead, we are acting like a firecrew which goes to a fire and then refuses to turn on the hose. We are refusing to use our chief weapon, namely price controls, to fight this inflation.

I think it is indeed fortunate for the citizens of Ottawa that the Minister of Trade and Commerce is not their fire chief; because if he were their fire chief, and if he acted in that capacity in the same manner as he is acting tonight, he would probably rush his crew up with their shiny new trucks to a burning building, line the trucks up, and then