

time comes to get further allowances, it takes months before they are eligible again.

The government is powerless in such situations. Some people say: Welfare comes under provincial jurisdiction and the federal government contributes 50 per cent. That's all.

But unemployment insurance, for instance, is a national scheme. If an unemployed who gets \$80, \$90 or \$100 a week to do nothing, to remain idle, was allowed to pick up apples during four weeks, if he was told that he may earn money without running the risk of losing his unemployment insurance benefits, it would be an incentive to work instead of an incentive to laziness, as is now the case.

Unemployed deserve unemployment insurance benefits. Others manage to get benefits by cunning, even though they are not entitled to them. With regard to welfare allowances, the same situation prevails. Some regulations, some legislation should be passed to enable those people to improve their lot. On the contrary, they are punished if they work.

The same thing occurred with food, a few years ago. Western producers were paid not to grow wheat. Eastern dairy producers were punished and fined by the federal government for exceeding their quotas. Too much milk was being produced. The producers were told: You will be punished. And punished indeed they were. In all those areas, the government tried to reduce production and now it says: Prices are high; food cost is extremely high.

Mr. Speaker, as to the 14 per cent of 5 cents the quart of milk subsidy which the government proposed the other day to the benefit of consumers, my colleagues and I have been advocating just that in the House for the past 12 years, making ourselves the laughing stock of everybody: "Subsidies paid to consumers are you crazy? That was alright during the war because there was an emergency but in peacetime this has no common sense.

The government has now decided to subsidize consumers. Within the government there is more and more talk about consumers. Opposition members are still slightly dumb but they will get to it. So, what do we suggest? We suggest similar discounts on all food commodities. An agreement between federal and provincial authorities should be concluded. The machinery required to distribute the 5 cents per quart of milk does exist and millions of quarts of milk are sold. So we say that an agreement should be concluded between the federal authorities and the retailers for the prices to remain at their current level. The government could grant a discount of, say 20 or 25 per cent on the retail prices of all food commodities.

This would reach everyone. The required machinery exists. However, if those grants come from tax money the prices will obviously still tend to increase. So we say that new credits should be issued to pay for new grants since they do not exist at the present time. Therefore, new credits should be issued by the Bank of Canada to change the system so that the governor of the Bank of Canada, Mr. Bouey, stops increasing interest rates and starts serving the people. He is an interest manipulator; that is all he does. He draws up figures and if he is not able to do it, let me know and I will go and do it for him, and not figures

Food Prices

based on nothing, but entirely on our resources and production.

Therefore, the subsidies granted for milk and bread should be applied to all food products after an agreement has been made between government and retail outlets. Those who do not want to take part in this program can opt out, but those participating will profit by the 25 per cent discount paid directly by the government. In this way, the consumer would pay 25 per cent less than at present. That would be an efficient way of fighting inflation and excessive food prices. Some can even laugh, but while we are laughing, there are some Canadian citizens who give a sickly smile and who do not find anything funny.

This could be our solution. If we cut profits, prices will rise immediately and if we remove these profits, will the federal government spend them? And how? At present, private enterprise is expanding and I say that any country in the world is expanding to the extent that personal initiative is encouraged.

I was looking at the results of the recent election held in Sweden. The friends of the hon. member for Winnipeg North Centre (Mr. Knowles) nearly took a dive. And they have been in power for 40 years. That was called socialism par excellence!

[*English*]

Mr. Knowles (Winnipeg North Centre): They were in power longer than the Creditistes have been.

[*Translation*]

Mr. Caouette (Témiscamingue): It is something like that, but they have not been ousted by the New Democrats, except in British Columbia. Today, they are so sorry about it that they tried the other day to have young Bennett defeated in Kelowna. And the friend of my friend from Winnipeg North Centre really got it when this government was in power.

Such is the solution advocated by the Creditistes and I think that electors will come to accept that idea and that we will finally enjoy reasonable prices in the best interests of all Canadian consumers.

[*English*]

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I welcome this opportunity to comment on the second report of the special committee.

The Acting Speaker (Mr. Laniel): Order, please. Possibly the minister will allow Mr. Deputy Speaker to intervene at this time and make the ruling he said he would.

Mr. Baldwin: That might make some difference in his speech.

Mr. Deputy Speaker: First, I want to thank the hon. member for Témiscamingue (Mr. Caouette) for his courtesy in making his intervention. It is very difficult to have so many thoughts coming to the Chair from the floor and to share them in a head which is also filled with a very vicious example of the common Canadian cold. I apologize to the minister that I did not get here before he was recognized for the purpose of making his speech, but in a few minutes he will have that pleasure. I would like to