

Anti-Inflation Act

The government says it will control incomes at the profit level. I suggest there will be no apparent increases in profits but there will be great increases in the capitalization of the multinational corporations in this country. This may not happen in Canada, but these corporations will increase their capitalization as a result of this legislation. This increase will be paid for by the poor and the unorganized, those who are least able to look after themselves in our society.

If this is the government's answer to the free enterprise system, I suggest it should look very carefully at the confrontation it will force upon the people of Canada. It should look very carefully at its philosophy, because I am sure it will find there will be a decision on the part of those who have never supported the socialists in this country to consider seriously the idea of socialism, with equality and justice for all, providing for those who are least able to help themselves.

I look forward in the next few months to seeing many of those who are not supporters of unions joining what, in effect, will be a union of the people. I think they will in this way really become their brother's keeper in order to look after those who cannot look after themselves. I think they will align themselves with the union movement. We will very shortly see the teachers, the civil servants, and all those who have not to date been associated with the labour movement in this country, joining together in a move to fight for those not able to fight for themselves. With this bill, the government may find it has finally accomplished something we have not been able to accomplish for years; it will polarize the people of this country who wish to support the poor and the needy. If that is the result of this bill, then probably we should welcome it.

In the meantime, a great deal of injustice will be done to a large segment of the economy of this nation. Unemployment will increase, and a reduction in unemployment benefits to those out of work is an individual disaster. If we are not to give more money to governments, what we will be doing is cutting down unemployment insurance benefits and other types of assistance to those being hurt by this legislation. I am sure those who will administer this legislation have good intentions. I am sure the people working for the Anti-Inflation Board will have the best intentions and will do the best they can. I also think that generally the people in this country feel this bill will do nothing in their favour and is not a good piece of legislation. This fact is borne out by the poll taken in Quebec the other day which indicated that 72 per cent of the people are against the bill.

● (1520)

I think that when the regulations are published we will find the bill does not outline the contents of the regulations. No matter how bad the bill appears today, I am sure the regulations will indicate that the anti-inflation legislation of this government is not only a farce but is a dangerous, divisive piece of legislation that will establish classes in Canada which previously has not been the case.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I shall not take up very much time of the House in case those in the hierarchy of our party feel I am unnecessarily delaying the proceedings. I assure them I shall take only a few

[Mr. Peters.]

moments simply to refer to two ideas which I believe deserve consideration in any discussion of inflation. One thing I have in mind is the extensive use of credit cards and their effect on inflation. Credit is a good thing. However, when credit cards are wantonly distributed, it seems to me this is an abuse of a privilege if we wish to control inflation.

When people go to the stores they are more inclined to purchase items without realizing the price they will have to pay in the months ahead. They are inclined to buy impulsively in the knowledge that the bills will not come in for a month or so. I have a pocketful of credit cards. It seems almost as if I am packing a gun when I carry them around. I do not think one should have dozens of credit cards. A person's credit rating should be arrived at according to his ability to pay. Without going into detail, I think a study should be carried out on the effect credit cards have on the rate of inflation in our country and whether they should be distributed in the manner they are today.

I think I have said enough on that subject, although I could speak on it for some time. I shall now discuss my second point. This may involve a change in attitude. I refer to the effect the automotive industry has on our lives in this country. I know the leader of the New Democratic Party (Mr. Broadbent) would not dare touch a subject like this because the automotive industry is a sacred cow. So far as he is concerned, we must keep on producing cars every year and have a model change every year.

I say that in this country and on the North American continent—probably it is not so evident in Europe—we are living in a wasteful society. When we trade in our automobiles there is immediately a 25 per cent write-off in the first year. Everyone in our society likes to live like the Jones's, and this means they have to make up the 25 per cent they have lost in some other way. I suggest that at this point we should take a careful look at how we are living and decide whether we should continue to promote this planned obsolescence. We should consider whether it is necessary and whether it contributes to inflation. I suggest it does.

There are those who would ask what would happen to the people employed in the automotive industry. I have heard this from members of the House. Then immediately they get up and ask for more money for housing, and so on. Everyone is interested in that kind of policy. We should say "no more" to the automotive industry which is contributing to our being a wasteful society. The automotive industry should limit style changes to every two years instead of every year.

I drive a car. I have seen cars with 15,000 miles on them which the owners thought were good cars, but on which they lost a good deal of money when they traded them in. I do not believe a person should lose so much money on an automobile, because he then demands much more money from his employer. We might consider the effect this has on inflation. I suggest we must reorient our thinking. We all know the kind of "big sell" we get from the automotive industry.

I remember that when the late George Nowlan was in the House it was said that the people of North America did not want the small cars imported from Britain. However, small cars were imported from Britain and Germany and