

Proceedings on Adjournment Motion

In that connection may I read a letter I received from one of my constituents. The letter reads:

At great sacrifice I bought an annuity when the dollar was worth a lot more than now. It is rather cold comfort to be told "Sorry, but you should have thought of the rise in the cost of living, and bought a bigger annuity." Even with foresight a higher annuity would have been impossible. There must be thousands of Canadians in the same position. Could not the interest rate be hitched to the cost of living.

It has been hoped that one of the things to be done for the problem is to institute a prices review board to force prices down somehow. I expect the proponents of that solution have found cold comfort these last few weeks in the hearings of the consumer credit committee. Repeated witnesses have said to that committee that that is not an effective step. Professor Slater says:

"And to say you can control prices by law or supervision is kidding yourself. You have got to go to the fundamentals. A price review board is not going to do much."

We in Social Credit over and over again in this house have expressed concern about monetary policy and the value of the dollar. Last week we were twitted indirectly by the Minister of Finance when commenting on some proposals of the N.D.P. He suggested that anything put forward by Social Credit was somehow inconceivable. Well there is a very serious problem with the monetary policies being followed by this government. The effects of those policies are shown by the writer of the letter. They affect thousands of Canadians. Those policies do not yet take into account the necessity of living with inflation.

I should like to hear the reply of the minister through the parliamentary secretary about the suggestion that the government issue real dollar bonds that would not lose their value. Perhaps the government could make other suggestions to solve this problem. I should be happy to hear them.

Mr. J. E. Walker (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, in the absence of the Minister of Finance, the Minister of National Revenue is acting. In the absence of the parliamentary secretary to the Minister of Finance, the parliamentary secretary to the Minister of National Revenue has been asked to answer.

For the record the question that was asked is the following:

In view of the continuing rise in prices could the hon. minister say whether the government is considering what Professor H. C. Eastman of the University of Toronto, when speaking recently called an "obvious step" of providing "real dollar" government bonds which individuals could buy, thus avoiding the loss of their investments through price increases?

The answer to this, I suggest, is that the proposal for so-called "real dollar" government bonds to which the hon. member refers is not a new idea. It reflects the widespread and not unnatural desire of investors to be protected against all possible eventualities, including rising prices.

One of the prime objectives of government policy is the achievement and maintenance of reasonable stability of prices. This government is confident that, with the support of parliament and the public, we can follow policies which will achieve this goal.

Motion agreed to and the house adjourned at 10.19 p.m.