

Food Prices

to them. They have asked for minimum prices that would protect them against slumps, in some cases foreseen and in others not unforeseen.

Just two years ago hog producers were losing money on every hog they produced on their farms. I saw the audited statement of a hog producer in my constituency. He was producing 2,000 hogs a year and was losing \$6 on every hog. All that producers such as that require of society is that they be given a reasonably steady return on their products; then they will produce all the food we need. I would say to that same hon. member that if we make the production of food unattractive enough, and if we introduce enough risks for the farmer, we may succeed in getting to the point in Canada where we will not produce enough food for ourselves. That will be an achievement for a country like Canada! But if we keep on like this, and hang on 90-day freezes and capers like that, we may well achieve it.

I suggest that if we are practical and if we investigate the real cause and take reasonable steps, we can produce all the food we need, we can distribute it to the people who need it and we can avoid some of the malnutrition that there is in this country. Evidence of malnutrition was brought before the committee. People came before the committee and told us in plain, simple language that malnutrition—in other words, starvation—exists in Canada. Yet we pride ourselves on being one of the richest countries in the world, with a very high standard of living. We can avoid malnutrition if we take reasonable and logical steps that will adequately serve and protect Canadians.

• (2110)

If we need some advertising and can bear the cost, we should do it logically and not do it on a profit exploitation basis. Let us do it on the basis where it will serve Canadians, where it will tell children the foods that will build healthy bodies instead of trying to persuade their mothers to buy something that is not needed. We used to go into school when there was no television and put pictures on the walls which told children that oranges and eggs and bacon made them healthy. Now that we have one of the best advertising medium in the world, what is it used for? To sell cornflakes! As responsible people in this House, let us say to these image makers, "Don't tell us how to starve to death. Tell us how to live". That would make more sense.

If this committee did nothing else, at least it gave its members an opportunity to understand some of the factors at work in the food industry. From time to time members said, with some frustration which I also felt, that we were getting a snow job, and at that stage I suppose we were getting the public relations treatment from the industry by the people experienced in doing a selling job. But there were those of us who wanted to look—

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but the time allotted to him by the order made today has expired.

Mr. Stan Schumacher (Palliser): Mr. Speaker, as one who participated on a part-time basis in the Special Committee on Price Trends in Food, it gives me pleasure to

[Mr. Gleave.]

participate in the discussion on the motion for concurrence in the report of the committee.

The problem the committee has been asked to deal with relates to the basic problem of inflation. We have a government which, for reasons best known to itself, over the past two or three years has been very active with the printing press in increasing the money supply of this country. I would find this rather amusing if it were not so sad for those people who are unable to defend themselves against the ever increasing rise in all prices, not just food. No member in that great collection of intellects on the government side can say why we are having a problem with prices today. It should be elementary that if you are irresponsible and make the printing presses work overtime, you will have inflation and consequent increases in the price of food and everything else.

It is interesting to note that over the past two years the money supply in this country has increased at a rate that is not less than 10 per cent. I think the average of the two years would be 15 to 17 per cent. This is completely unacceptable. We have also had a situation where the federal government—the most obvious government; the one at the top of the heap; the one that everyone looks to as an example—has failed to live within its income. We have had a period of sustained high taxation and sustained high government return but, nevertheless, a continuing succession of deficits. I think is beyond dispute that government deficits result in inflation and increased prices. I do not know what the mystery is. We have an irresponsible administration which has been playing with the fiscal and monetary policies of the national government and, as a result, we have a national problem.

Members of the New Democratic Party and of the Liberal party scoff at the suggestion that the federal government should undertake a freeze in order to change the direction that the economy has been following for the past five, six, seven, eight or ten years. I suppose that dates back to the famous Pearson formula for settling the Seaway dispute which set off this most recent siege of inflation. In any event, I am not sure what was illogical or wrong with the suggestion that the federal government take hold of the problem and tell the people that they are going to take a new approach to the situation and will protect the population of this country—especially those who are unable to protect themselves by way of collective bargaining or otherwise—and enable them to maintain their purchasing power. No one is suggesting that a 90-day freeze is a total solution to the problem. I think that anybody on the government side, as well as their auxiliaries to my left, would realize that the policies pursued to date are wrong and there must be a change of direction.

I suggest that the basic change required is an example by the federal government, to be followed by other levels of government and business in the country, to start living within their means. In that way we would give some real impetus for growth in the economy and provide more benefits for everybody. The coalition that we have now has passed along the old idea of the New Democratic Party for a prices review board. It is very interesting to note that the motion we are asked to concur in does not recommend any real powers to be given to the review board, but the hon. member for Vancouver-Kingsway