

Lastly, if we are to get this problem turned around, we must go back to a basic fundamental of the free enterprise system.

**An hon. Member:** It is a mess.

**Mr. Epp:** If the hon. member wants to talk about messes, let us look at some countries in Europe—and if you want them, you can have them. Or we could go to British Columbia. Madam Speaker, I want to point out a fundamental principle. I refer to the question of productivity. When is the last time any of us stressed that we must produce more if we want to take more out of the Canadian economy? When is the last time we heard either labour or management bring forward the concept that if we are to turn around, we must strengthen our economic position? How many of us have heard that stressed positively? Where has the concept gone that a person who produces more is entitled to a return on that extra production? If we continue to tax production at the 40 per cent level, I can see why people do not want to produce more; they do not because the government simply taxes it away.

● (1530)

In conclusion, I believe this country, with all its wealth and potential, can come out of this crisis if we, as Canadians, adopt some of these principles. I also hope—and this may not be very popular with some members—that because we have been able to keep up with inflation more than adequately, hon. members will join me in agreeing that as of January 1, 1976, we should not go forward with the 7 per cent escalation in our stipends; that it be a symbol that we also are part and parcel of this problem and we want to contribute our share to combating inflation. I stress again that we believe a person is deserving in accordance with his rate of production, and that this government would govern much better if it governed less.

**Mr. Les Benjamin (Regina-Lake Centre):** Madam Speaker, in taking part in the debate on this legislation, I want to say at the outset that the NDP has suggested for many years that in a planned economy, which we feel our country should have, there should be policies and programs which call for full production and full employment. There should be, also, a system of collective controls and price reviews so as to contain inflation, or at least to alleviate the rate of inflation that we experience from time to time. I can recall that in the elections of 1963, 1965, 1968, 1972 and 1974 we said that very thing and were ridiculed for it. We opposed the proposals of the Progressive Conservative Party in the last campaign for a freeze and price and wage controls as being unfair and unworkable unless such a program was accompanied by other programs. Today, however, we see the conversion of the government to a program similar to the one the Conservatives were proposing, unless I badly misunderstood them. I repeat what we said a year ago, that this conversion to a program of controls will be unfair, inequitable and in many instances unworkable.

I have noted with interest in the remarks of the Prime Minister (Mr. Trudeau) and of other members of the government in the last couple of days a seeming willingness to make certain changes, additions or deletions in their proposed program to take out some of the obvious unfairness in the legislation. If the program is to have a

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remote chance of success, it must not only be fair in its application but it must be seen to be fair.

Of course we must fight inflation; there is no argument about that from anyone in the House. The argument is about how to go about it. I submit that in the process of fighting inflation, or attempting to alleviate the rate of inflation, equal, if not greater, importance must be given to other problems in our economy, specifically unemployment. To ignore that problem and solely to battle inflation will only result in greater unemployment which, I submit, is a far worse problem in our society than inflation.

I and the NDP will not support a program that perpetuates unfair treatment of Canadians who cannot defend themselves, such as the unorganized workers, the old age pensioners and those on low and fixed incomes, people who have no way of defending themselves. That means a great majority of wage and salary earners in the country, and it certainly includes most of those who are on pension. The legislation proposes a 10 per cent limit on wage increases, which means a maximum of \$2,400 and a minimum of \$600 in applying the guidelines. I want to repeat what my colleague, the hon. member for Yorkton-Melville (Mr. Nystrom) had to say when he spoke in this debate last Friday, that it would make much more sense and we would obtain much more acceptance from the people of Canada in fighting inflation if we reversed that guideline and provided the \$2,400 to the people at the low end of the scale and the \$600 to the people at the top end of the scale, including members of parliament. The program would then be much more credible and much more fair.

If we are to do anything to help those who are on fixed and low incomes to live decently and not see their standard of living falling as the result of the high rate of inflation, then surely they are the ones who should be getting the \$2,400 maximum increase, and those at the high end of the scale can do quite well with nothing at all or, at the most, \$600. Surely that would be decent, sensible, civilized and fair. But no, this government keeps on with the old free enterprise nonsense which means that him that has gets, and him that hasn't gets it in the neck. It means, continue striving for all you can get and to heck with the other guy; those who have power will get more, and those who have no power will get less, or nothing.

Surely, if you are going to bring in a restriction on incomes, these restrictions should not apply to those on low incomes. In fact, I submit that any family on an income of less than \$10,000 a year right now should be totally exempt from the guidelines. A family consisting of husband, wife and three, four or five children trying to live in an urban centre in Canada is not able to get by on \$10,000. They cannot make it if they have to pay for their shelter, pay their food bills, pay for educating their children, pay their taxes, mortgage payments, and so forth.

I saw a survey which was made in Toronto a year and a half ago by the welfare council in co-operation with other groups in the city. It showed that a family of five in an average home, with one car, and assuming they put the three children through high school and into university, will not make it on less than \$15,000. To apply guidelines to incomes as low as \$6,000 a year, I submit, is unconscionable. The people on low incomes are not the ones who