

*The Address—Mrs. G. MacInnis*

should be established for the purpose of protecting the consumer from unjustified prices as well as from unjust practices. We believe that manufacturers and processors should be brought before this board to justify price increases which are deleterious to the consumer. This view has not yet been accepted by the committee as a whole. In my opinion this issue is part of the unfinished business before the committee, and I hope that in future sittings the majority may be persuaded to accept such a course as I have suggested.

Should anyone think this is nonsense, let me draw to the attention of the house the fact that it was unjustified prices rather than unjust practices which gave rise to the pressure of public opinion which resulted in the reference of this whole subject to the committee. Consumers will not be well served nor will they be content until machinery for dealing with unjustified prices as well as unjust practices has been established. I will have more to say on this when the legislation is introduced.

I wish to comment now on the generality of the report. We pointed out that a survey made in 27 countries showed that Canada is not faring badly by comparison with other countries with regard to the trend of consumer prices from 1958 to late 1966. Indeed, Canada showed the second lowest rise in consumer prices during that period. Other countries were suffering more. We made no reference to a statement which I believe to be most apt in this context. When the head of the Swedish economic council appeared before us he pointed out that in Scandinavia the effect of high prices was cushioned by government pensions and allowances set in accord with the cost of living and the level of productivity in order to protect lower income groups.

However, we did say this in our report. I think it is important, and I wish to quote it:

Any general and persistent increase in the price level has a profound effect on both the economic and social fabric of a country. When the rate of increase exceeds some critical level it produces unrest and inequities and may create economic problems which have a high social cost. Parts of the population may be able to adapt to rising prices but in general these will be those who have economic or market power and whose earnings increase sufficiently fast to maintain their real income. That part of the population which is disadvantaged and economically weak will usually suffer. The handicapped, the aged, the pensioners, the underemployed and the unskilled workers bear an undue share of the burden of rising prices. One major contribution which could be undertaken by the federal government would be to carry out surveys of family expenditure patterns at frequent intervals to provide some objective assessment of the impact of rising prices on the disadvantaged.

While it was not your committee's duty to inquire in detail into incomes policy, your committee feels that one aim of such studies would be to facilitate studies of the feasibility of establishing guaranteed minimum incomes for all citizens.

I am sorry the Minister of National Health and Welfare (Mr. MacEachen) is not in his place; he likes to "rib" me about my views on a guaranteed annual income. I am in favour of it today, I was last June, and I was last December. But I was not in favour of what the minister put forward last fall under the guise of a guaranteed annual income, when he brought down the supplement to the old age security pension. That was as bad a case of the prostitution of the English language as I have seen for a long time.

Even members of the government are beginning to realize it will be necessary to establish a guaranteed annual income in this country. But they will have to produce a much better specimen than was produced last December in connection with this income supplement for old age security pensioners, which no more resembles a guaranteed income than a piece of jagged glass resembles a diamond. A guaranteed annual income must be based on what it costs to sustain a modern standard of living—modest, if you like, but modern—and it should rise both with the cost of living and the productivity of the country.

Let the government provide a guaranteed income of this sort and they will find that we in this group will be the first to support it wholeheartedly.

I feel that our committee has produced an excellent report as far as it goes. As I say, there is some unfinished business to be dealt with. I have mentioned the establishment of a practices and prices review board. Included among this unfinished business is consideration of the whole sector of selling costs—the business of promotion and advertising generally. We made no recommendations in this important sector, which in my view is responsible for a great deal of the rise in the cost of living which has occurred. Nor did we deal with another great sector, the monopolistic character of industry today. We were appalled, like everyone else, at the revelation as to the extent of the Weston empire. We felt something definite would have to be done about it, but we were not prepared to make a recommendation with regard to monopolistic control of industry. We did say this, though:

Your committee noted that the director of investigation and research under the Combines Investigation Act reported the discontinuance of a study of concentration in the food retailing industry