

Government Administrative Policies

prices, no matter what the provinces do with regard to rents, or what professional bodies do in restricting increases, it is perfectly clear to me that there is no way in which we can completely solve this problem unless there is some restraint on the wages and salaries side. There is no way in which such an important component of total production costs as wages and salaries can continue to rise as rapidly as they have in recent months without resulting sooner or later in substantial price increases to consumers.

Difficult market conditions, in combination with the existing price restraint program, are requiring many firms to absorb part of these cost increases, thus lowering profits. But there are limits to how far large increases in labour costs can be absorbed through declining profits before firms begin to cut back on their hiring and expansion plans. Nor would it be realistic to count on the continued co-operation of the business community in limiting price increases, or professional groups in limiting fee increases, if there were no limit on wage and salary increases. For that reason the government is lending its full support to the extension of the existing restraint program to include limits on wage and salary increases including—and I make this clear—executive salaries, monthly salaries and non-unionized salaries, as well as on increases in prices and other forms of income.

It is a matter of regret that in this kind of program, which is beginning to have an effect and which has been put in place with a great deal of effort, we seem to be able to expect absolutely no co-operation and no help from the New Democratic Party. By broadening the fight against inflation we can not only save existing jobs in our economy but act responsibly to create new job opportunities. Surely that is what this country needs. By maintaining and, where possible, strengthening our price restraint program—I emphasize that all our options are open—and by having an effective 6 per cent ceiling on salary and wage costs we can turn the economy around much faster than we could by simply using the traditional instruments available to a government in these situations. The Minister of Finance (Mr. Benson) will discuss this question in more detail later.

The job of the Prices and Incomes Commission is not a very easy one. In fact, it is a very difficult one, often a very frustrating one. But I submit that it is having an effect on our economy and is contributing to a better price performance in Canada. It is

encouraging price stability in Canada. For all these reasons it is worth while persisting with these policies no matter how difficult it may be. As I said this afternoon, the whole program would have been more successful if we could have counted on a greater degree of co-operation from all those in the private sector who are making price and wage decisions. Inflation would not be running at the rate it is today, nor would the rate of unemployment be as high had the commission received more co-operation than it has.

I hope that all the people of this country who are suffering from inflation, and those who are unemployed as well as the workers themselves and the housewives of Canada, will realize that the work of the commission would have been more successful had the NDP and its leader not deliberately set out 18 months ago to sabotage its efforts; and surely this is what they have done in the House and across the country every day for the last 18 months. I hope that those who are suffering most from inflation will recognize, as we do, that the people from whom we have received the least help and co-operation are the members of the NDP.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I am participating in this debate because I have had to give notice of our opposition to certain items as a mechanism to the consideration by this House of some of the problems that were raised during debate of the estimates. I want to preface my remarks with regard to the particular items I have posted with some remarks on the work of committees in so far as the study of estimates is concerned. I have been very disappointed in the actual results. It is not that we cannot talk to ministers or to officials during the study of estimates. I know of no case where they have not made themselves available to the degree possible in their very busy lives, at least those with whom I have come into contact, and I think I speak generally for my colleagues, in saying that about officials from most if not all of the branches of government. I do not think they have been in any way reticent in discussing the estimates. The only difficulty is in getting the information out into the open.

There is a mad rush, when the study of estimates is being undertaken, to have all possible committees sitting at one time so that even the government side, which has large numbers of members available, has to put on platoons or squads running from one committee to another merely to sit there and peri-