

Social justice does not consist in taxing the honest man for the benefit of financial interests. As long as we believe that production is aimed at consumption, this inevitably implies that we have a duty to find a way to give the consumers access to our abundant products. Since the child when he is born is naturally entitled to live, it is not normal to burden him with debts caused by the financial system of the country. Instead, he should be entitled to the heritage left to him by the previous generations.

It is unthinkable that people who believe themselves to be serious can assert that good results can come from wrong methods, that freedom can emerge from bureaucracy or regimentation or that our abundant production can be distributed through a short money supply system. All types of boards have been established, which enables the government to protect its friends. I would not be surprised if one day one of our politicians, of whatever party, makes a suggestion that he will undoubtedly find brilliant, that of establishing another board to study the role of the numerous boards already in existence. What we should really establish is a monetary board which would enable Canadians to get out of this ridiculous social situation which allows poverty to exist in spite of abundance.

[English]

Mr. John Gilbert (Broadview): Mr. Speaker, I thought that after the Minister of Finance (Mr. Macdonald) had heard the persuasive speeches of members of the NDP, it would not be necessary for me to make this speech. But the jolly green giant of the cabinet apparently is not persuaded at this stage, and therefore it is necessary for me to make my speech. In all the speeches that have been made during this debate, and in the discussions that have taken place across the country, there has been one common trend throughout; that is, agreement that Canada is in its worst period of inflation, recession and unemployment since World War II.

Mr. Baldwin: And bad government.

Mr. Gilbert: I think this is the reason we have to address ourselves to this problem, which is not only a national problem but an international one. When you think of the low inflation we had in the 1960s, 1 per cent to 1.5 per cent, and the high inflation we are having in the 1970s, 11 per cent to 12 per cent, the enormity of the problem becomes clear.

With regard to recession, we have not been able to gear our productive capacity to a point where we are meeting the needs, demands and expectations of most Canadians, and therefore we are in a recession period. We are also in the highest unemployment period that Canada has experienced. I notice that one of the Ottawa members nods his head. I thought he was going to say it is even higher than during the Conservative regime from 1958 to 1962.

At the end of September we had a seasonally adjusted unemployment figure of 732,000, indicating a 7.2 per cent rate. When you look at the distribution of the unemployment rate, you find that in the province of Newfoundland it is 18.8 per cent; in New Brunswick it is 10.4 per cent; in Quebec, 9.3 per cent; and in British Columbia, 9.6 per cent. This underlines the problem of unemployment across the country. If there is anything that the former minister of

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finance bequeathed to the present Minister of Finance, it is that today we have the highest unemployment ever, the highest food prices, the highest interest rate and the highest rate of inflation.

● (1450)

Hon. members may recall that when the former minister of finance resigned, the question in the minds of many Canadians was who would replace him. Now we have the present Minister of Finance. His was an unexpected appointment, for most Canadians, although I might say it was probably a good appointment when we consider the other cabinet material which was available. The Minister of Finance has come forward with his own and the cabinet's solution to the problems of inflation, recession and unemployment. We in the New Democratic Party have said that his response to these problems is both unfair and unworkable. We have said that it will not build any new houses, it will not provide reasonable food costs, it will not combat the shrinking purchasing power of those on fixed incomes, it will not increase production, and it will not put Canadians back to work.

There have been many analytical reasons put forward as to why we have inflation, but I think we are all agreed that ours is not the traditional supply and demand type of inflation. It was rather interesting to glance at Walter Gordon's book in which he says that inflation today is not caused by the marketplace machinery, but by monopolies which set the price of most consumer goods. In his recent book "Storm Signals" he sets forth his reasons for saying that Canadian consumer prices are set by monopolies which operate in the marketplace. They are not concerning themselves with the problems of supply and demand but, instead, with the demand for their particular products, and setting prices not in relation to the cost factor but in relation to their administered prices of which profit is the foremost factor.

I was interested in what Mr. Gordon said with regard to the monopolistic companies which control the Canadian economy. I will list a few of them to indicate the strength of his reasoning. The petroleum field is not controlled by Canadian companies but by monopolistic foreign companies. The companies are Imperial Oil, Gulf Canada, Shell Canada, Texaco Canada, and BP Canada. When it comes to mining, again there is monopolistic control by companies outside Canada which operate the firms of International Nickel, Falconbridge Nickel, Noranda Mines, Hudson Bay Mining and Smelting, and Rio Algom.

With regard to forest products, again we have monopolistic companies the ownership of which is outside Canada. Those companies are Canadian International Paper, Abitibi and its subsidiary, Price Company, MacMillan Bloedel, and Crown Zellerbach, Canada. We know that the automobile industry is controlled by General Motors of Canada, Ford, Chrysler and American Motors. With regard to computers, there is IBM. When it comes to aluminum, there is Alcan Aluminum. The liquor industry is controlled by Seagrams, Hiram Walker, Godderham, and so on. Beer is controlled by Labatt's, Molson's, Carling and O'Keefe. With regard to tobacco, we have IMASCO, MacDonald's Tobacco and Rothmans. That is just a short list of the control which monopolistic companies have with regard to consumer products which Canadians must