

*Anti-Inflation Act*

I understand that the government is unwilling or afraid to set a price for the producers of western grain on the international market. But it could bring part of the production under a quota system for the domestic market and set the price for this grain.

In this way, the cost of feed grain would remain firm and thus ensure a better price to the consumers. As to the prices of fertilizers, carbohydrates and gas, since they are imported goods, the government has hardly any control over them.

If I may, I should like to quote part of the article dealing with the control of grain prices. The government could intervene at the border by limiting meat imports and exports, because hog prices are going up in the United States and, consequently, in Canada as well. But to close our border would create such delicate international problems that Ottawa seems unwilling to face them. Finally, it remains that on the great majority of basic commodities such as vegetables, fruit, sugar, coffee, cocoa, spices, etc., the government cannot exert any control, for they are imported for the most part.

Now, Mr. Speaker, the fact remains that under the present circumstances it is very easy for the government to increase prices, but whatever the government may do, it remains that when it comes to control food stuffs products things become more difficult.

It seems to me that the government has taken no measures to overcome such difficulties. That is why, in the long run, it will be forced to pay citizens' organisations to succeed in controlling prices set by businesses. However, some special squads will have to be set up. They will be responsible for watching big food chain stores, or to rely on federal public servants which will be appointed for that purpose.

With regard to penalties for lack of compliance, will the government have to determine prices, instead of the companies? In case of monopolies, will there be some flexibility with regard to corporations which have to face a harsh domestic or foreign competition? Those are the questions that come to my mind.

Finally, Madam Speaker, everybody knows that the root of inflation is in prices, and moreover, until now experience has shown that the majority of controls that have been imposed in different countries have failed to curb prices because it has been shown that such controls cause economic disorders that have to be cured later anyway.

Therefore, I think that if the real cause of inflation is prices, the government should first make a serious study of the structure of prices in relation to the monetary system. In any case, since the process of determining prices is itself a part of the monetary system, such a study should necessarily include a comprehensive review of the way the system works. It would then be easier to wonder why in certain respects that process is inadequate.

Because of today's pricing system, the public in general has to shoulder the total production costs over a given period whereas, in normal times, it should only pay for the total consumption in that same period. In other words, if I buy \$5's worth of goods and have to pay \$10 for them, obviously the cost of living is inflated.

It is common knowledge that the rigidity of traditions has proved to be one of the main obstacles to progress in man's discoveries and that, most of the time, it takes but a flash to realize that we are on the verge of a crisis. We of the Social Credit Party have often warned this government of the impending danger of inflation which is now hitting us head-on, but our warnings fell on deaf ears. Madam Speaker, we are now facing such a problem. This is, in the main, the result of errors made in the past by our monetary and fiscal authorities.

• (1730)

In my view, it is extremely urgent for us to get out of this financial system which is not really consistent with the realities of production and consumption, since in the face of spiralling prices we need an increase in the purchasing power too. Finally, if the purchasing power is allowed to increase without a reduction in prices, it is necessary, of course, to distribute more money among consumers.

Now, Madam Speaker, under the present system, it is realized that money is only distributed according to a participation in production. It is then that all the costs are reflected in prices. It is essential to provide the goods to meet adequately the normal needs of the people. Then inflation would no longer exist.

Madam Speaker, since the purpose of production of goods and services is to meet the needs of the individuals who make up the nation, everything else, both labour and capital, are only instruments, means of achieving an end. In other words, the sole purpose of the product itself is to make life easier for adult citizens, but that same profit should not become all-important in society as a whole.

All our economic ills stem from that. Profit which is good in itself becomes bad and harmful when it becomes excessive. That is why in our great country both rich and prosperous, the rich become richer and the poor more numerous. As a result, the unbalance in our economy is borne by our children, the low wage earners, the unemployed, those without an adequate income to enjoy our wealth because of the prices being charged.

Madam Speaker, we, of the Social Credit Party of Canada, seriously believe that the monetary system accounting is truly wrong, because if the financial system were realistic, inflation would surely not exist and prices would not rise. On the contrary, the people would witness a gradual decline in prices technological progress and production methods would improve.

There is no doubt that if the federal government really intends to combat the steady and deep-rooted inflation, which I do not question, it must consider more seriously, the concret proposals put forward by our party, for I am sure they are the solution to inflation and unjustified price increases.

Madam Speaker, among the measures announced by the federal government on October 13th, I think they should have included provisions for protecting low income people by raising, for instance, \$6,000 to \$10,000 the low income ceiling, that is the salaries of workers who will not be entitled to an increase of over 10 per cent. It is essential that the fight be not waged at the expense of the low-income class. Besides, would it not have been more sen-