

Anti-Inflation Program

shows unusual productivity gains is exempt; any corporation which enjoys what it considers to be a favourable cost development, one which it did not anticipate, is exempt from the guidelines; any corporation which reinvests its profits in capital expansion is exempt.

Mr. Macdonald (Rosedale): That is not the case.

Mr. Broadbent: I should have said "for export purposes"—any corporation which devotes profits from capital investment for export purposes.

Mr. Macdonald (Rosedale): No, sir.

Mr. Broadbent: Well, the hon. gentleman may take up that point when he speaks. That is what another minister said.

The Acting Speaker (Mrs. Morin): Order. The hon. member's time has expired.

Mr. Broadbent: I wonder if I might have permission to continue for a few more minutes.

The Acting Speaker (Mrs. Morin): That can only be done by unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Broadbent: Thank you, Madam Speaker. I shall try not to abuse the courtesy of my colleagues. In short, we believe the price control mechanism selected by the government will not be effective in any way in terms of holding down prices. Thus, what we have in the government's package is a program which will be effective in holding down increases received by average wage earners. It will not be effective in controlling professional incomes, and it does nothing at all in terms of controlling price increases. In short, it is an unfair and unworkable program and it is one which completely ignores the positive approach to reducing the cost of housing, the cost of food and the cost of energy. We think the analysis is wrong and that the detail is wrong. It will not deal with inflation, and it is a program which the New Democratic Party cannot support in any circumstances.

Hon. Robert L. Stanfield (Leader of the Opposition): Madam Speaker, I have only 20 minutes allotted to me under the rules so I shall have to speak even faster than usual.

An hon. Member: At least you have a sense of humour.

Mr. Stanfield: There are clearly many difficulties attached to the government's so-called anti-inflation program as presented so far to the House and to the country. It is undoubtedly weak on the side of the control of prices. The program as announced thus far has clearly carried very little conviction among the general public, and there is little confidence among the public so far that prices will be effectively controlled. There is also enormous confusion about many aspects of the program. That is not surprising, I suppose, because the government stumbled into the program a week or so after the head of the government declared that he would not touch anything like this with a ten-foot pole.

[Mr. Broadbent.]

● (1240)

I want to be fair to the Minister of Finance (Mr. Macdonald) and recognize that in terms of the confusion which exists, he has had very little time in office as the responsible minister to engage in the kind of consultations with provincial governments and representatives of the various sectors of the economy that I am sure he would have liked had he had time before the Prime Minister (Mr. Trudeau) announced that the program was in effect. I want to recognize his new, statesmanlike attitude and take a very statesmanlike attitude toward him this morning.

Obviously, the government was ill-prepared. As I say, there was no effective consultation with representatives of industry or labour about the program. We see the confusion regarding the provincial picture. Even now, several weeks after the program was announced, the minister does not know, for example, whether the province of Quebec will be following, within its own public sector where it has retained jurisdiction, the same guidelines as the federal government. It does not take very much imagination to recognize that if, for example, school teachers and public officials in Quebec proceed on different guidelines from those in place for the rest of the country, this will not exactly create contentment across our nation. Obviously, this is a matter that should be cleared up before the House is asked to take further decisions regarding the program.

The triumvirate that is supposed to administer the Anti-Inflation Board comprises Mr. Pepin, Mrs. Plumptre, and the other choice has not yet been made. I understand from what I hear, even with the mail shutdown, that it is virtually impossible for people seeking answers to questions to get those answers because of the confusion that has been created. On examining the complex apparatus that has been erected, this board and its administrators, I can only conclude that even Rube Goldberg at his best could not have designed a structure or a system as complicated and unwieldy as this. I am under the impression that the government is something like a thief who steals a box containing all the parts of a very complicated piece of machinery but is unable to put the pieces together to make the machine work.

With regard to control of professional incomes, I say to the minister—he must recognize this for himself—that the control mechanism he has announced to date is not convincing to the general public. As to salaried personnel, workers organized and unorganized, the disparities and inequities clearly are enormous. In any program of controls on income there are bound to be some inequities, but these inequities will be enormous in view of the rate of inflation, the different situations in which various groups in the country find themselves as a result of the rapid rate of inflation that we have had in the past year and a half.

Any program controlling incomes or inflation will of necessity involve very rough justice. The justice is bound to be very rough in a situation where the government has allowed everything to run wild for a long time and then attempts to introduce some order. I understand in my home city of Halifax last night the Prime Minister said people recognized that the economy was out of control. The Prime Minister seemed to say this with approval. However, we must ensure that justice is as even-handed as we can possibly make it. In saying that, we have to recognize that