

Increasing Food Prices

On the other hand, if persuasive information can be sent to the Combines Director to lead him to think there has been any violation of the Combines Investigation Act, he will immediately commence an investigation as required by the law. In any event, the Department of Consumer and Corporate Affairs will continue to be vigilant in maintaining the fullest information about the industry, so that if there should develop any detrimental trends they will be quickly identified and necessary corrective measures proposed to safeguard the public interest.

Mr. Horner: Mr. Speaker, before the hon. member sits down would he give us the author of the speech he has just delivered?

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, one of the great weaknesses of this "just society" government that is temporarily in power today has been its failure to deal with the problem of the rising cost of living. In 1967 and 1968 inflation and the effect upon the consumers of Canada of its growing intensity was felt for the first time. Let me quote some figures as I begin my brief remarks this afternoon, which will demonstrate that the present government has completely failed to cope with this problem.

In the 1968-71 period, the increase in the cost of living was 3.9 per cent per year. In the most recent year, 1971-72, the consumer price index increased by 4.6 per cent. Just by way of comparison, I would point out to hon. gentlemen that in the period 1960-63 the increase in the consumer price index was 1.3 per cent—

Mr. Olson: 1963 was the most disastrous year in the history of Canada.

Mr. Dinsdale: —which is a percentage that is possible under sound and stable administration. I hear the Minister of Agriculture (Mr. Olson) referring to that period as the most disastrous period in the history of Canada for the farmers.

Mr. Horner: Tell him about the 1970 net figures.

Mr. Dinsdale: I would think that the record speaks for itself, and the farmers will answer that query in no uncertain terms when they have the opportunity at the polls in the not too distant future. The Minister of Agriculture was speaking for a different party in those days—

Mr. Olson: And he will be speaking later today, too.

Mr. Dinsdale: —and he was of much the same opinion then as we are at the present time. Admittedly, the government has tried to cope with this problem, as it is still trying to cope. It introduced a new Department of Consumer Affairs early in the present regime. It introduced the Prices and Incomes Commission in 1969. But we must conclude that both of these organizations have failed dismally to deal with the problem that we are debating this afternoon, which is the soaring cost of living particularly as it affects such basic commodities as food and housing.

We are especially concerned this afternoon with the rising cost of food, but by the by it appears that the cost of housing is going to increase significantly because it has

[Mr. Mahoney.]

been indicated that the mortgage rate in the next few weeks will rise to the unprecedented height of 10 per cent. It is a strange paradox that while the cost of living has been increasing during the present regime, the cost of government has been going up enormously in proportion. Another part of the paradox is that while the cost of government has been going up with the addition of new departments, boards and so forth, the effectiveness and efficiency of government has gone down in proportion. The government has blown hot and cold in dealing with this issue.

• (1710)

I am going to deal briefly with the role the Prices and Incomes Commission has played in this matter; but first of all I want to point out that the first minister of this House, the Prime Minister (Mr. Trudeau), has spoken with an uncertain voice during the past four years of the rising cost of living. In 1969, we heard this from the right hon. gentleman:

The government has done beautifully in fighting inflation

On November 11, 1971, speaking in London on the question of inflation he said:

—we haven't licked it and we said we would.

On January 9, 1972 the Prime Minister said:

I think we tackled the problem of inflation in a serious way ... almost too much determination.

In December 1969, he said:

Inflation could destroy the Canadian middle class, which I regard as the basis of a lot of stability in our society.

The villain of the piece is not necessarily related to the increase in profits of chainstore markets, nor the increase in wages of the labour sector of the economy, although this has been the scapegoat selected by the Prices and Incomes Commission over the years. The villain is not necessarily the middleman involved in the food production process, although this is an area that could stand some scrutiny, as could others in the complex production process with which we are faced today. The villain is not the farmer, although he sometimes gets the blame for the increase in the cost of food. Under this administration, the farmers have been getting a lesser share of the food dollar. Farmers have had the worst bargaining position and the least support from this government. Instead of helping to improve the position of farmers in the food production chain, this government of the just society has completely neglected their position, and I think that could be demonstrated if I had the time this afternoon.

The most vulnerable is the commission set up by the government to deal with this matter, the Prices and Incomes Commission. As pointed out by my colleague, who endeavoured to introduce an amendment this afternoon, this commission was instructed to deal in a forthright manner with the problem of increasing cost of living brought about by runaway inflation. It was instructed to bring in reports from time to time which would make it possible for Members of Parliament and the people of Canada generally to determine who were the villains of the piece. Recently John Meyers, writing in his financial column, pointed out that there is such a report available but it is sitting on the desks of the ministers of the govern-