

*Anti-Inflation Act*

● (1712)

I should like to indicate the more general reasons why we intend to vote against Bill C-18 on second reading. The Conservative party is the only party in this House that has consistently voted against the government's anti-inflation legislation. At third reading on Bill C-73 we voted against the government's legislation. On Bill C-86 we voted against the government's legislation as well. Notwithstanding the fact that the NDP like to pretend they have been violently opposed to the anti-inflation legislation, we know they joined with their cousins on the government side to support Bill C-86 when it was going through the House. Once again we will vote against the government's bill which is now before us.

We intend to vote against the government because it has not conducted the economic affairs of this country, especially in relation to inflation, in a satisfactory manner. Time and again this government represents that somehow or other it feels it has done a relatively good job compared to other countries. Fortunately, we have the "Economic Outlook" which was published by the OECD last December. As an independent body it can be relied upon for an independent judgment as to what in fact has transpired in the Government of Canada, its record on inflation, and the record of other countries.

In 1975 when this program was brought in, the facts show that there were only six other nations which were doing better as far as inflation was concerned. Those nations were the United States, Germany, Austria, Denmark, Sweden and Switzerland. In short, we had the seventh best inflation level of any of those countries. At that time we had a 10.8 per cent inflation level, compared to the United States at 9.1 per cent, Germany at 6 per cent, Austria at 8.4 per cent, Denmark at 9.6 per cent, Sweden at 9.8 per cent, and Switzerland at 6.7 per cent.

In October, 1975, we were told that our record was not good enough, and that if we accepted the suggestions of the Prime Minister (Mr. Trudeau) concerning the anti-inflation program, he would somehow bring inflation down to a much lower level in relation to other countries. According to the OECD, in the 12 months to October, 1977, we are running as number ten among world countries. We have lost ground. There are three more countries which are ahead of Canada as far as the inflation level is concerned. That has occurred under the controls program of this government. How can any thinking member of this House stand up and support Bill C-18 later today?

The countries which are ahead of Canada have gained on us, as far as inflation is concerned, since this controls program was inflicted upon Canadians. The countries which now have better inflation levels than Canada are the United States, Japan, Germany, Austria, Belgium, Luxembourg, the Netherlands, and Switzerland. The total OECD average inflation level is now below that of Canada. The government's anti-inflation program has been a disgrace.

I know many, including members of the press, who like to say: "Yes, but what is your alternative? What would you have done differently?" In this respect our credentials are good.

[Mr. Stevens.]

Consistently we have asked the government to take steps to relieve inflation in this country, which it has failed to do. We called for the termination of controls on June 30, 1977. We indicated that following termination there should be a monitoring for approximately six months. Also we indicated that we felt the counterproductive nature of controls was such that it was time to call a halt to them. Using its brutal majority, the government voted us down. Consequently, in insisting its program should continue, the government has contributed to unemployment in this country and has not come up with a satisfactory inflation level.

A credible government should provide us with a two-year guideline setting out what inflation levels exist in the nation. It should set out what real growth targets it intends to work toward. The anticipated job creation programs should be set out, as well as where the jobs will be located on a regionalized basis. Not only should the government partake in rhetoric concerning restraint, but it should set out a clearcut program for the reduction of the government's share of the gross national product, in conjunction with the provinces. The government must accept a more restrained approach to monetary growth than we have witnessed in the past decade under the leadership of the present Prime Minister.

I should like to refer to the remarks made by the Minister of Finance (Mr. Chrétien) to the Canadian Club in Toronto. He said:

To sum up, we expect real growth this year of 5 per cent, more than any other leading western country with the possible exception of Japan.

I do not mind the Minister of Finance going to a town that I know something about, but I wish he would at least give the facts. The figures he gave are not correct. He can anticipate a 5 per cent or 10 per cent real growth, if he wishes, but in his heart he must realize that credible independent agencies such as the OECD do not agree with him. Those agencies do not feel we will experience a 5 per cent real growth in the current year. In fact, if one looks at their predictions for the larger industrialized nations, one will find a rather sad picture for Canada. They predict our real growth will be 3¼ per cent, which means that Canada's real growth will be behind that of the United States, Japan, and almost equal to that of Germany. Most important, according to the OECD, Canada's real growth will be virtually tied with or equal to the average real growth of all countries which it has reviewed, including Italy which has an anticipated 1 per cent real growth.

There is a developing pattern with the Minister of Finance, of giving wrong facts to the Canadian public. Obviously he feels he is beyond his depth. It is fine for the minister to pluck out of the air a 5 per cent real growth figure. Obviously he is doing that to take attention away from the actual real growth figures of 1977. For that year the OECD indicates that Canada had a real growth of 2¼ per cent. Incidentally, that real growth was less than that of the United States, Japan, Germany, France, and it was less than the real growth of all the countries reviewed by the OECD.