

Cost of Living

recommendations that old age pensions should be adjusted on a quarterly basis. They kept on criticizing those policies until they turned around and implemented them themselves following that not very happy, from their point of view, election a while back.

Now the Prime Minister puts forward arguments about shortages and a comprehensive approach to controls as being inconsistent with an adequate supply situation. I say to the Prime Minister through you, Sir, that that is an absurd generalization. It is an insult to the integrity of Canadian producers, many of whom have already indicated through their various organizations that they would co-operate in keeping supplies at high levels during a controls program and would support such a program. But a producer's concern about his input costs is in fact legitimate argument against selective controls or attempts to deal with food prices in isolation. I have no reason to believe that an across the board program would not receive sincere support from Canadian producers.

Some hon. Members: Hear, hear!

Mr. Stanfield: Just after the Prime Minister condemned the use of price controls or anything of that sort in a situation of world shortage, or in a situation where world factors push up prices, what did he do? He did not resort to a 90-day freeze, but a five-month freeze in connection with petroleum by itself. If there is one product in the world where international factors push up prices beyond the control of Canadians, that is it. I ask the Prime Minister how he can justify refusing to adopt a comprehensive and fair approach to controls while he is prepared to adopt isolated controls. How does he justify refusing to adopt a comprehensive system of controls, because they would create shortages, when he resorts to such a control at his own convenience?

Some hon. Members: Hear, hear!

Mr. Stanfield: I do not want to spend much time on the views of my friends to the left, but they seem to be in the incredible position at the moment of saying that you cannot make a freeze and temporary controls program work, but you can legislate roll-backs. There is neither consistency nor common sense in such an argument. The fact is that the government is fiddling around with selective quotas, freezes and other controls. All their suggestions and plans are oriented to each individual crisis as it comes up. Following that logic through to its conclusion, it would seem that when we get to the point of crisis in every facet of the economy, the sum of all their ad hoc responses will be that unhappy time constitute the sort of basic program which we put forward over six months ago.

Mr. Speaker, I am not arguing against measures of relief for those hardest hit by the cost of living squeeze as it now exists. Indeed, we have always advocated a number of such measures. These certainly are part of our over-all policy. We recognize, too, the need for certain support programs. We will support them if they are necessary, and we have always said that they are. We will support measures of this kind, but we must also, as a parliament, attack the problem.

We must stop the vicious circle that a widespread inflation psychology draws us further and further into, and we

[Mr. Stanfield.]

must do this with two criteria in mind. First, we must attack the problem of inflation in a way that makes it possible to continue sustainable growth in productivity and jobs. Regional disparity dictates that we must do this in the national interest. One of the things which frightens me about the present tactics of the government is that their monetary policies, their high interest rates, will wreak havoc on the economy of the slow growth areas of this country long before we have a chance to get unemployment in those areas down to anything like a satisfactory level. So I say that we need, in the national interest, a policy that will enable us to continue the creation of jobs. Simple humanity dictates that we must do this in the interests of the individual Canadian. The discredited approach of slowdown taken by this government in 1969 and 1970 must not be followed again.

Second, the program of attack must be comprehensive, short-term and as fair as possible. Selective approaches are in many instances not fair, and in a larger sense are not perceived to be universally fair. I am not suggesting for a moment that the price of petroleum products should not be frozen for a period followed by a system of controls. I just say it should be a general approach. When you are dealing with the psychological side of inflation, this element of fairness—everyone involved, and all pulling together in the common interest—and this mood of fairness cannot be over-emphasized.

I am certainly no lover of government intrusion into the economy to the extent that our policy involves, but based on these two criteria and the urgency of the matter I am prepared to act in this way. Big government, big business and big organized labour can choose to sit on the sidelines and look after their own interests. But the ordinary citizen looks to this parliament for leadership, for concern and for action. And we in this parliament must provide that action. The government says, "It is an international problem". So are death and taxes. But we do not stop trying to improve living, and we do not stop paying taxes. Certainly inflation is an international program, and short-term, economic stabilization programs are the widely accepted international response to the problem.

This is the government whose Minister of Finance presented a budget some six months ago which the minister said was "aimed at increasing the real income and improving the standard of living of Canadians". The minister's words of February 19 are nothing more than a sick joke now on September 4. The minister said the budget was "aimed at reducing inflationary pressures... aimed at ensuring that older Canadians share more fairly and more fully in the growing national prosperity... so they may better enjoy living in well-earned retirement."

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This is a government that chose to cling to power in speaking through the Minister of Finance on February 19 of this year. A sick joke! Where are we today? For many Canadians, daily life has become simply a matter of survival. For those who have recently benefited from pension increases, the increases have been almost instantly consumed by rising prices of the very essentials of life. For those who work for wages, it is all too clear that inflation is destroying not only their incomes but the future value of their retirement benefits. In conditions such as this,