

Anti-Inflation Act

The necessary motion could not be moved by either party at this end of the House, of course; it would take a combination of this party and my friend to the left, or a number of others.

If you ask the average Canadian today what caused inflation I think he would tell you—credit. Credit is really a major problem. It is much too easy to get credit. In the past when governments wanted to slow down the economy they made an effort to do something about credit. But we have built into this nation the credit card syndrome and it has been accepted as a way of life.

It does not matter how much interest is involved. It does not matter how much a car costs, whether we need it or not. As our folk singer says on the consumer program, we run out and buy bargains with "money we ain't got". That is one of the problems we have in this country. The Minister of Finance (Mr. Macdonald) should look at the way we handle credit. I am pleased to see that some government economists are saying stores should not go into the food business selling on credit. If consumers did I think we would eat our way to death rather than driving into it.

The minister should also look at interest rates. If you buy an automobile on credit with the lowest down payment possible, you will probably find when you pay the car off in 48 months that you have paid as much interest on the car as the actual cost of the car. And the car was over priced in the first place—probably inflated to double its worth. Yet that is doubled again with the interest, and the minister has not done much about that.

● (2120)

There are certain fundamental things that must be done, and no one in this House disagrees that we should do something about inflation. We have said so on previous occasions, but we are well aware of the previous occasion when the Liberal government tried to do something about inflation; it created an immense amount of unemployment and then it came out and said that inflation was licked. It did not take very long for everyone to find out that inflation had not been touched and that we had better do something about employment or we would find ourselves in a position where we could not support our people.

I suggest the government, might have done better to accept *holus bolus* the Conservative idea. If it had taken off the limit and put on price and wage controls, I think people might have supported that. I think we might have been able to live with that. But when it only controls wages and salaries and does nothing about prices in the store, the prices people are interested in, the price of a can of beans, the price of milk, the price of eggs, the prices of other commodities, we must be very naive if we think the working man is not going to continue to fight for his way of handling inflation, the same way as free enterprise and big business use—they raise their price and somebody has to pay.

There are two classes which are particularly heavy consumers. They are the farmers, the highest consumers per capita and, second, the working people. The wage-earner is the highest taxpayer in the nation. Every time we ask the government to raise the personal exemption we are told what a terrific blow it would be to the tax structure even if

the exemption were raised by only \$100 or \$200. Yet we give away millions of dollars at the top end.

To the class which has been making such a large tax contribution, we have said. "Far from being able to keep up with the cost of living, you cannot expect more than a set amount". This has meant, because of the confusion, that with respect to most of the strikes that have taken place prior to the introduction of this legislation very few of them have been settled. The board is not willing to give permits saying "You have the historical right to a larger wage increase than the board recommends as general." The board has not been willing to do this, so most of the unions and most of the companies will not bring these strikes to a conclusion and the responsibility, in my opinion, rests squarely upon the government.

I know that in my own area a number of strikes would have been settled had this been done. The individual company agrees it should settle, knowing the terms have to be in keeping with wages paid to its competitors or it would not have any employees. It is willing to make a settlement. The union is willing to settle. But the company and the union agree they can only do so if they have permission.

I would like the government to accept the "20" amendment, and then I would like the opportunity to vote against the whole structure.

Mr. Leonard C. Jones (Moncton): Madam Speaker, Bill C-73 is another example of arbitrary and dictatorial types of legislation interfering with the rights and freedoms of Canadians. Although the guidelines purport to be on a selective basis, the legislation is broad enough to extend to each and every citizen, either directly or indirectly.

The proposals set out in the legislation and the guidelines are in no way likely to halt inflation or even to alleviate inflation. They will cause greater inflation. It is another attempt to grind the middle class worker and small businessmen between excessively high taxes and inflation, and along with increased unemployment it will bring about greater bureaucracy and a greater dictatorship.

There are palatable alternatives to wage controls and price controls. One is to reduce government waste and unnecessary spending programs. Industry is successful when it is productive and efficient. The same philosophy should be followed in the business of government operations.

I have already suggested in previous debates ways in which the government can show restraint and thus reduce inflation, and I do not intend to list them again tonight. There are other items which could legitimately be used to halt inflation. They were not used. The government seems instead to be bent on obtaining absolute control of all fields of endeavour. This is dangerous, and I fear that if this legislation goes through our children will suffer for many, many years to come.

If the government is not prepared to clean house here in Ottawa and reduce ridiculous and wasteful programs, duplication, and overlapping, it is absurd to enforce controls of any kind on any Canadian.

The question of wage and price controls was one of the issues in the 1974 election. No member of parliament, no party in this House, has any right or any mandate from the