

*Anti-Inflation Act*

## ELECTRIC ROAD VEHICLES

Question No. 2,972—**Mr. Robinson:**

1. Are any Canadian companies developing electrical road vehicles and, if so, what are their possibilities of success?

2. Does the government intend to encourage such developments with financial assistance in the interest of alleviating pollution and energy problems?

**Mr. Marcel Roy (Parliamentary Secretary to Minister of Industry, Trade and Commerce):** 1. There are several Canadian companies in various stages of developing electric road vehicles. However, as yet none have reached the production stage and it is not possible to determine their commercial acceptability.

2. Yes, the Government is encouraging such developments under the existing incentive programs.

[*Translation*]

**Mr. J.-J. Blais (Parliamentary Secretary to President of the Privy Council):** I ask, Mr. Speaker, that the other questions be allowed to stand.

**Mr. Speaker:** Are the other questions allowed to stand?

**Some hon. Members:** Agreed.

## GOVERNMENT ORDERS

[*English*]

## ANTI-INFLATION ACT

## MEASURE TO PROVIDE FOR RESTRAINT OF PROFIT MARGINS, PRICES, DIVIDENDS AND COMPENSATION

**Hon. Donald S. Macdonald (Minister of Finance)** moved that Bill C-73, to provide for the restraint of profit margins, prices, dividends and compensation in Canada, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, we had an extensive survey of this question earlier in the week on the day devoted to the economy. Much of what would have been said on second reading was said at that time, so I will not repeat it; rather, I will deal with a number of questions raised by opposition members in that debate and since then in the question period, and a number of questions that have arisen in the community. I will also address myself to some of the specific terms of the bill which I think have relevance in its consideration.

I would start off by reminding the House that, while we are dealing with a specific part of the program, the government's request for support for the anti-inflation program is directed not just to any single group but to the whole community. It is founded on the expectation that there is, amongst Canadians, a sense of fairness with regard to the sharing of the resources of our community and everyone, whatever his income level, whatever his occupation, should recognize that we have a responsibility for restraining our demands on the community.

Having said that, however, I would recognize at once that particularly those at the lower end of the income

[*Mr. Roy (Laval).*]

scale are in the least position to pose demands of that kind and are in the most difficult position from the standpoint of protecting their incomes, in light of the inflation that we have experienced in recent years. Therefore, what we have proposed in this particular bill is to get after the big guys, to get after those with clout, landlords and owners of property, to get after the big corporations, to get after big labour in the event that any one of those groups should, contrary to that sense of fairness, seek to draw from the economy more than would be reasonable in relation to the demands of the whole.

The purpose of this bill is to make provision that if there are demands of this kind, the Anti-inflation Board can seek to persuade those who are making the demands to moderate them, and seek to persuade them that if they do not do so, the course of law will have to be followed and in the extreme case, if there is still a refusal, then there would be resort to the law. The fact of the matter is—and this is the basic fact which has to be recognized by all of us who speak on it; it is basic for the person for whom we have responsibility, the little fellow at the low end of the income scale—that if the kind of people with clout, in order to get more, always seek high wage settlements and price increases, the less there will be available for the Canadian of modest income. For this reason, we feel we have to seek this power to protect that particular group.

● (1210)

Retired persons and those on fixed incomes, those in jobs but not organized—those, in other words, at the lower end of the income scale—are not, contrary to what has been said in some circles, the victims of this particular bill. They are the principal beneficiaries of this program and this bill.

The bill recognizes that there are groups with major clout in the community. We seek the support of the groups with major clout in the community in order to achieve our objective. As I have said, the enforcement provisions recognize that if those who have power refuse that kind of support, refuse that co-operation—and I hope it will not be refused—we can resort to the provisions of this particular legislative proposal.

Reference was made in the previous debate to the excellent statement made by the Governor of the Bank of Canada several weeks ago on the important question of inflation, and to the position taken by leaders of the Canadian Labour Congress and other individual labour leaders. Their basic position, as they have said several times, is that the inflationary problem from which we suffer in Canada was not created by the workingman.

I say that the proposals the government has put forward for curbing the present situation in this country, a situation which has not arisen merely in the present but has existed for the past 18 to 25 months, recognize the truth of the statements made by the Governor of the Bank of Canada and labour leaders. We have recognized that the causes of inflation in Canada, as in many other countries, have been increases in real costs. They have occurred in Canada because we have an open economy and because we import so many things.

The problem has arisen in particular because of the increased cost of food, not only here but throughout the world, which has arisen because of shortages of supply.