

said the people of Canada were not ready for controls, and castigated us for being divisive. This is absolute political hypocrisy. If it has any power and takes any action whatsoever, what in the world is a review board but a control?

What is most clear is that the minister does not understand the farmers of this nation. He said the proposed prices review board will be a control, but only on food prices. There will be no freeze on wages and prices, as we recommended. This means it will extend right back to the primary producer. What the Minister is actually saying is that the farmers of the nation will be asked by the government to bear the blame for the high cost of food.

The minister went on to say he was going to put the interim report before the cabinet for study. But nowhere is there to be found any thought of controlling the increases in the cost of living. That is what consumers are interested in and that is what this party is interested in. Hon. members opposite scoff at the freeze suggested by this party; to them it is laughable. The members of the NDP are against a freeze. They point to the United States. Mr. Speaker, I would like to point to the United States, because the 90-day freeze in that country stopped the spiralling increase in their cost of living rising to three times that of Canada, in a period of one year, to the point where it is now two-thirds of the increase in Canada.

Mr. Gray: What happened after they took it off?

Mr. Danforth: I am talking about right now. Today it is only two-thirds of the increase in Canada. The NDP, through their spokesman, the hon. member for Vancouver-Kingsway (Mrs. MacInnis), derided control. Has the hon. member no concern for the consumer? The figures show that the action taken by the U.S. government resulted in a substantial saving to every housewife in the United States. To me, that is the name of the game. That is what I am interested in.

Here we are talking about setting up a prices review board. We have had many review boards in this country. I have reason to know. We have had problems with tariffs. We have had review boards to determine whether an import has hurt a Canadian commodity or Canadian industry. Do you know how long it takes these boards to make a report? It can take anywhere from 13 months to 18 months. If we are to have a food prices review board that will take 18 months to make a recommendation to the government, and then the government will take time to consider the recommendation, food costs will have risen out of sight before any action is taken.

The hon. member spoke about not having a price freeze and said she does not believe in moral suasion. But she talked about state control. She talked about government action to roll back prices. That is state control. She says that we should roll back the price of food and subsidize the farmers with taxpayers' money. Mr. Speaker, the farmers do not want subsidization; all they want is a fair return for their products. The hon. member also said we should subsidize the lower income groups so they could buy food with higher nutritional value. That is a laudable point. But again, Mr. Speaker, that is using taxpayers' money. Our policy is that we should reduce taxes. Let us get people working so they can buy their own food and

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make their own choice. Let us not have a socialist state, with all initiative destroyed.

The hon. member also said that we must not touch wages. I am interested in that point. What part do wages play? Wages can be a multiplying factor. If there is a wage increase of 10 per cent or 5 per cent in an industry which builds tractors, the increase is passed on to the farmer and he has no way to meet it except from the sale of his products. If there is a wage increase in the industry which makes food containers, that increase will be reflected in higher food prices. An increase in the salary of the manager of a food chain is reflected in the consumer price. Every time railwaymen get an increase in wages, transportation costs go up and the price of food is increased. These increases are passed on to the consumer. I am not saying this is unjustified or wrong, but I think we should know the whole story.

● (1750)

I was disappointed when the CLC appeared before the committee and did not justify the part that wages play in the cost of food. Mr. Speaker, the committee's terms of reference were to investigate the trends in food prices. In order to conduct a fair and just review we must find the basic reasons. I think many committee members feel that in order to decide what is actually happening, we must have more pertinent information. I believe that the only way we can get this is to take any group of basic commodities used by the average housewife in this country and send out an inquiry from our committee to everybody who has anything to do with those foods, from the primary producer to the ultimate consumer. Pertinent and simple questions should be asked such as: How much does it cost you to process it or semi-process it? How much does it cost you to provide services? What is your selling price when you pass on these costs? Give us a list of your input in order that we may judge the part it plays in the food chain.

The food chain is a very very complicated business, Mr. Speaker. For a parliamentary committee to think it can examine the food chain in two meetings a week, over a period of two months, is absolutely ridiculous. I think every member was aware of this fact at our first meeting. This is why I feel we have not achieved anything. I cannot support this interim report because I do not believe it does the job we were asked to do. It is only an interim report, but on this very basis the government is ready to plunge into action!

Some hon. Members: Hear, hear!

Mr. Danforth: The interim report itself says the committee is not satisfied that it knows the answers. These are minor recommendations, temporary recommendations; they are not solutions. If they are, the committee is ridiculous. There is no man or woman in this House, Mr. Speaker, who does not fully realize that if every recommendation of this interim report were implemented, it would not make one percentage point of difference to the cost of food. The only people to be influenced at all would be those on welfare, and they would be given a great deal of purchasing power.

We were asked to study the trends in food prices, Mr. Speaker. In its report, the committee did not say a word