

Price Control

sometimes called the black market. There they would find some of the early shoppers willing to resell at the higher or market price. The politicians will claim they have saved consumers from high food prices, but consumers will know that at the fixed legal price few chickens are available, except perhaps to the early risers who stand in line outside grocery stores. The rest of us pay the market price which the politicians were unable to lower. That is the situation with consumer goods in general in Russia and with the gasoline market today in the United States.

In the next step in this process the politicians embark on a legal rationing program, which means that they increase our taxes in order to hire bureaucrats to print and distribute ration books. This means that the free market behind the grocery store becomes less a market in good, fresh chickens and more a market in good, fresh ration coupons, and the politicians have made us worse off again. When politicians try to impair the delicate and marvellous workings of the free market, they harm us all.

The socialist resolution mentions "unjustifiable" price increases. It should be clear that no free market price is ever unjustifiable. It is determined by supply and demand. This talk about unjustifiable price increases is typical NDP pap. What may be an unjustifiable price to one member of society may be totally justified to another. It is not for the politicians to make that decision. They would tell an inefficient operator with high costs and low profits that it would be all right to increase his price because his profits are not too high. They would tell the efficient operator who is making a good profit that he cannot increase because it would not be justified. We would have two different companies selling the same product at different prices because the government has said so. Any attempt by politicians to compel people to trade at a legal price which is not the market price would certainly be unjustifiable.

The NDP always want a villain. They rant, rave, shout and confuse the issue. They are trying to fool the people. They say they are interested in people, but they are not. They are just interested in power. All we have to do is look at their votes in recent days. The NDP are devoid of principles, unlike my party which demonstrates in its votes and actions that it is a party of principle and a party of the people.

The leader of the NDP whips the corporations. He forgets that corporations are made up of people. Corporations have no giant pools of money to pay taxes or anything else. All corporation money comes from people; it comes from their customers, suppliers, employees or shareholders. There are no other sources of funds for corporations. The Progressive Conservative Party recognizes that corporations are made up of people.

We have seen the NDP flip-flop on other votes in the House in recent months. Just yesterday in committee the NDP voted against showing displeasure of the chairman of the Food Prices Review Board, completely reversing their position of four months ago when they put a motion which included a provision to fire poor old Plumtre.

Mr. Knowles (Winnipeg North Centre): She's not that old.

[Mr. Clarke (Vancouver Quadra).]

Mr. Clarke (Vancouver Quadra): How does the government look in this situation? We have all heard of the two-bit politician. Now we have two-cent government. The government is worrying about a few pennies increase in prices here and there, while ignoring the main problems and causes. They have said as much in the House. They have said there is no problem. They have also said they do not know what the problem is, but they will put in some selective controls anyway. They like to blame inflation on the rest of the world. I wish to quote from an editorial that appeared in the *Vancouver Sun*:

If smallpox were pandemic among all the nations of the world, the Canadian government would still be expected to try to stamp it out here.

Yet the economic disease of inflation, now raging internationally, is regarded by Ottawa as being quite endurable so long as it isn't worse here than elsewhere.

The government cannot blame this on the Leader of the Opposition (Mr. Stanfield) because he has not any power. What do they do? They just criticize his proposals and say they will not work, even though they do not have any proposals of their own. They do nothing except bend their policies to keep the NDP happy so they can all stay in office together.

What are the basic causes of inflation and high food prices? The basic causes are the policies of the government of Canada. First we have the government's monetary and fiscal policies and, second, the government's interference in business and personal lives of Canadians. We have had a greatly expanding supply of money. It is elementary that if the supply of any commodity is vastly increased, its value will fall. I do not want to get into detail on that because my colleague, the hon. member for Don Valley (Mr. Gillies), explained it very well earlier.

Mr. Grier: Do you agree with him?

Mr. Clarke (Vancouver Quadra): It is interesting to note that in a debate last year on this same topic—

Mr. Grier: Do you agree with him?

Mr. Knowles (Winnipeg North Centre): He is hard of hearing.

Mr. Clarke (Vancouver Quadra):—I remarked, and I quote:

Both parties of the coalition government say that they want to force manufacturers to disclose more information about their products. Perhaps the government should print a disclosure on its own paper money which would warn the holder that its future value is questionable.

Another factor in the monetary policy is government expenditure. We have just recently seen the budget. I wish to read another quote from a recent edition of the *Globe and Mail*. This is by the president of the Institute of Chartered Accountants:

Canadians ought to be able to look to government for a lead in the anti-inflation battle.

I do not have time to quote the editorial fully. He goes on to make reference to the wild extravagances of the government and senior civil service. In the same editorial there is reference to another view presented by the Canadian Chamber of Commerce as follows:

It was warning that governments must check the massive growth of