

ample opportunity to take action. Indeed, one could almost argue that we have a one-party system in Canada since, for historical reasons in the province of Quebec, the Liberals always start with 55 seats. We are in a desperate economic plight and at the same time we face this problem of national disunity involving not only Quebec but the Atlantic region and the western provinces.

● (1702)

I have mentioned the Atlantic region. I want to turn, now, to conditions in my home town and draw attention to what has happened under wage and price controls there, bearing in mind that the measures through which the government has sought to fight inflation have resulted in increased unemployment. I am not saying this was done deliberately but it has been the result of government policy and the party opposite should be turned out for it. If John Turner followed incorrect advice and if the hon. member for Rosedale persisted in the error, then it is time the Canadian people held the Prime Minister responsible for this gross mismanagement of the economy and the high unemployment which has resulted.

The largest town in my riding is Glace Bay which, according to the 1976 census, had a population of 21,836, less than the number recorded in the 1971 census. The town is presently facing serious difficulties as a result of the slump in the national economy. As members in this group have consistently pointed out, it is the lower income regions which are most seriously affected.

The provincial government of Nova Scotia is super cautious, afraid to adopt deficit financing at a time of such high unemployment in the province, and as a result we in Glace Bay find ourselves unable to get loans from the provincial government to create jobs, provide services, and look after the aged in the recently-built Seaview Manor. A further factor is the stubbornness of Atomic Energy Ltd. which refuses to increase its payments to the town in lieu of taxes as it has done with respect to projects in Ontario. This raises a question I intend to put to the Minister of Energy, Mines and Resources (Mr. Gillespie) when I have the opportunity. Atomic Energy of Canada is a Crown corporation and if it is behaving as badly as everyone in my riding feels it is, the situation is one which should be corrected.

The town of Glace Bay is faced with increasingly heavy welfare costs. Surely the Minister of National Health and Welfare (Miss Bégin), who seems to be one of the few in cabinet with a strong social conscience, one of the few one can admire for good intentions, anyway, could use her influence to see that the department of social assistance in Halifax increases its payment to the town of Glace Bay. Perhaps representatives of the Department of Finance and the ministry of urban affairs could meet with officials of the municipal affairs department in Nova Scotia to arrange for special payments to be made to Glace Bay so that the town could meet its escalating costs.

I return to the general topic, that of the dismantling of controls. We in this party fought to end controls in 1977. The

Anti-Inflation Act

bill as it now reads would extend the controls beyond the date of December 31, 1978, originally anticipated. The regulations accompanying it provide for an allowable wage increase in the third year of controls amounting to 6 per cent when, under the original legislation, the figure was to have been 8 per cent.

I draw attention to the fact that the cost of living has been increasing at the rate of about 11 per cent for the past three months. In the opinion of most economists the figure for the year is not likely to be less than 8 per cent. I say to the government that it is inviting further confrontation not only from organized labour but from many workers who are being asked to take 6 per cent at a time when the cost of living has risen to 8 per cent or higher. There is no way in which the Liberal party can get away with another flip-flop during an election campaign. No credit will be given to protestations by the Minister of Finance that inflation next year will be 6 per cent instead of 11 per cent. The people of Canada will not fall for it this time.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, as the last to speak on the bill from the Progressive Conservative caucus in this House I feel I must say immediately that we cannot, we must not, and we shall not vote for the legislation at second reading later today.

The bill does three things. Initially, the clauses patch up certain deficiencies which have existed for more than two years in the government's anti-inflation program. It refers to certain decrees issued by the government in December, 1975—and they are in effect now, in 1978—asking parliament to ratify or sanction what has been done as far back as 1975. In my view it is almost contemptuous of parliament that this state of affairs should have been allowed to exist for so long, notwithstanding the fact that members opposite have had ample opportunity to bring in remedial legislation embodying the ratification they are now seeking. To bring in such a bill now is contemptuous of parliament, bearing in mind that the government intends to decontrol the whole system by April 14 of this year.

The second thing the bill does is patch up loopholes which existed, and exist, in the initial legislation—Bill C-73. As my hon. friends have pointed out, we in this party drew attention to these deficiencies at the time the legislation was introduced. The original bill did not provide for so-called AIB clauses, that is, clauses which could be written into contracts and which would be in effect upon termination of the anti-inflation program.

The third thing the bill does is, in effect, to give life after death to the control program. There are certain measures the government wishes to take notwithstanding the fact that on December 31, under the present legislation, the controls terminate. So we are asked to make provision for the continuance of a substantial public service and to ensure that some level of activity may continue after 1978.