

bought for them. Faced with a dramatic new challenge to the unity of our country, they have produced not a single positive response except to create two or more new bureaucracies in the Privy Council.

We, on this side of the House, are prepared to exercise the powers of government when we believe it is the responsible thing to do, as witness our proposals for the decontrols period. But we advocate that kind of action only when we feel it is essential, and only because government is the only collective mechanism available to us—most certainly not because we believe we are smarter than Canadians or because we believe we have some right to direct the lives of the private citizens of this country.

● (1640)

There are any number of imperfections in our economy as, indeed, there are in our society. But surely it is time we began to question whether the constant cure of government intervention is not a more serious sickness than the ailments it claims to treat.

Mr. Speaker, the most disturbing thing about Canada right now is that we have lost confidence in ourselves—and this in a country which has more reason to be confident than virtually any other in the world. But how can Canadians have confidence when their national government's every act is to breed suspicion, confrontation and distrust? How can Canadians believe in themselves when their national government doesn't believe in them?

Removing the wage and price controls program will not solve the problem, but perhaps it can be a start. Perhaps it can be at least a beginning in showing some trust and confidence in Canadians. I have that kind of trust and confidence in Canada, and I invite every member of this House to express that same trust and confidence by supporting this motion.

[*Translation*]

Mr. Eudore Allard (Rimouski): Mr. Speaker, in the current context of all those systems maintained and nurtured by the old parties to try and control inflation, one is reminded of the story of that fellow who raised skunks and tried to control the smell. Because at the start, the smell is quite awkward. But after a while, one gets used to it to the point it does not bother too much. So it is with inflation. The first experiences are stifling, but after a while it goes almost unnoticed. Although the smell is there.

While prices and banking and multinational profits are going up through the elevator, wages and small and medium businesses profits have to climb a slow flight of stairs. Inflation is in my view an imaginary "gimmick" thought of by the government and its so-called economists to ignore the fact and entertain the illusion that everything is well, there is nothing to be done, it is a necessary evil, and all that is needed is to tolerate the smell and let the skunk get older, but while the inflationary virus is getting deeper and putting the government to sleep, there are in this country more than 503,000 students and young workers that will be unemployed during the coming

Anti-Inflation Act

season. Labour is facing a number of impossible problems. Farmers are almost to the point of letting everything go, while senior citizens see their savings are being eroded daily.

The Anti-Inflation Board simply permitted that people in the small income group be subjected to controls, while banks and multinational corporations went on scot-free their golden way.

As I said, the first ones hit by that cancer are people in the low income group, non-unionized and even unionized workers. Other victims are non indexed bond holders and small savers. Private sector pensioners and all those living off allowances have lost half the initial value of their money. While inflation is gnawing at small income people, the moneyed classes invest their loot in real estate and, finally, we end up with the situation we see now—the bankruptcy of small- and medium-sized businesses and the growth of large fortunes.

Indeed, chartered banks' assets have increased by \$16 billion in 1975-76 and are now showing an annual increase of \$25 billion when calculated on the basis of the assets accrued for the five first months of this year, that is \$12 billion. What is worse is that people responsible for that state of things have all gone into hiding. Thus unions are blamed for inflation. When workers are not blamed for inflation, industries are. And when individuals are not blamed, consumers are. Everybody has his turn. Of course, we shall not attempt to absolve completely those groups. However, those actions are for the most part defensive reactions rather than initial causes. It is like the individual pushed from the top of a cliff, who grasps a rope and drags someone else down with him. If the first one had not been pushed, the other should not have been dragged.

As we could see, inflation is the major problem in Canada today. We could even say that all other problems would disappear for the most part if we could eliminate inflation. Yes, because inflation steals the savings and revenues from Canadians. This is why we were disappointed when the Speech from the Throne and the subsequent statements by the government did not mention the only measure that really succeeded among all so-called anti-inflationist measures made until now by this government, I mean the subsidy that eliminates directly production costs. The subsidies to dairy producers are the best example. Canadian consumers benefited from lower prices through that program and we deplore its end. Of course, we could still improve the way those subsidies are paid. One of the rare good things said by Mrs. Plumptre, the chairman of the Food Prices Review Board is: This program might become a racket to the advantage of producers. We agree on this. The subsidies should improve the capacity of consumers to express their needs to producers and retailers. For that reason, subsidies should be given at the retailer level when the consumer has really made his choice among the various products. We can only wonder why the government do not continue that experience which demonstrated the efficiency of creating credit to reduce costs rather than increasing production and production costs.

We from the Social Credit Party of Canada want to see an extension of that policy. In fact, a universal discount on retail