

Family Allowances

one of the reasons which prompted the government of Quebec to give its own family allowances. I believe this is quite sufficient proof of the inadequacy of the federal family allowances.

If through legislation we are to establish a general standard for the whole country, I agree, Mr. Speaker, but let us establish a standard which is perfectly admissible throughout Canada and which really reflects the needs of the standard family in Canada.

As to the amount of \$20, I do not think it is sufficient and this is why, in concluding, I should like to say again that we must not only find palliatives immediately and try to lessen the difficulties encountered by families, but think right now of establishing programs in order to guarantee everyone this famous material security we need to free ourselves and develop better.

It is our role to find solutions. And it seems to me that it is our duty to say so, insist on old age security pensions and family allowances, Mr. Speaker. Each time we touch on this, we always touch on the basic problem of income security.

And our party has concrete solutions to propose to that end. We do not have reserve rights on this; we are prepared to see the government and the Minister of National Health and Welfare (Mr. Lalonde) in particular steal that beautiful concept from us and we will be very happy to assist them and then some. This is the way we conceive our political role in this House and we want to co-operate with everyone to satisfy all Canadians in a real and concrete way.

Mr. Francis Fox (Argenteuil-Deux-Montagnes): Mr. Speaker, the world of reasons and explanations is not the one we live in. Today I begin my speech with these words by Jean-Paul Sartre not because I am an existentialist but because we are debating today a fundamentally practical measure designed to make the daily life of thousands of Canadians easier.

Mr. Caouette (Témiscamingue): That is what Moses used to say!

Mr. Fox: They do not say the same thing in Témiscamingue.

The world of existence in Canada, in this month of September 1973, is a world in which some Canadians suffer a great deal from rising prices, especially food prices. The world of reasons and explanations, to come back to Sartre, and not to Moses, shows us that these upward trends are for a large part beyond our control. The bad crops of last year practically everywhere in the world, an increased global demand for quality food products, the fact that we have to import from abroad food products such as coffee and sugar,—to mention just a few—, are the main causes of this situation.

But what course of action can we take confronted with such a situation: A few countries such as the United States tried price control and this proved to be a failure. With the increase in the cost of food, the American stockbreeder was obliged to kill his cattle prematurely since the established price brought about a loss which resulted in a shortage of meat throughout the United States.

[Mr. Matte.]

In Canada, we managed to resist applying simplistic measures to deal with rather complex economic problems, which enabled us to avoid some of the problems that the American people were faced with.

It is often said that price control is the appropriate answer. Well, in such a situation, food prices in the United States have increased, between December and March of this year, twice as fast as food prices in Canada.

In a letter to the *Wall Street Journal* on April 24, 1973, American economist J. K. Galbraith, one of the most powerful promoters of selective price controls, denounced a price control policy during a shortage period. In addition, price control is not a synonym of freeze. In Quebec, for example, the price of consumer milk controlled by provincial authorities has just been increased as was the price of bread. I do not think moreover that government authorities should set the minimum retail resale prices. Setting maximum resale prices can be justified from an economic point of view but not minimum resale prices encouraging the economic inefficiency of the retailer whose costs must eventually be borne by the consumer.

It might be appropriate, at this time, to refer to the competition legislation introduced in this House by the present Minister of State for Urban Affairs (Mr. Basford) who is responsible for the Central Mortgage and Housing Corporation, who was, at that time, Minister of Consumer and Corporate Affairs. Through this legislation, the federal government proposed precisely that minimum retail prices be declared contrary to the law and that only maximum prices could be established.

I could go along in this vain for quite a long time, I think, but what is important, in the long run, once reasons and explanations have been analyzed, is to take some action. And this is what the government did this year, by way of tax reductions in the budget speech and through the measures announced by the right hon. Prime Minister (Mr. Trudeau) on September 4.

The statistical analysis brought to the attention of our Special Committee on Trends in Food Prices proves clearly that the burden of recent price increases weighs most heavily on Canadians on low and fixed incomes. Studied as a whole, the figures compiled in 1972 by the OECD reveal that, in 1971, Canadians spent 20.6 per cent of their income on food, whereas the Americans spent 16.7 per cent, the Japanese, 26.6 per cent, the Germans, 24.2, the French 27.5 and the English almost 24 per cent. It must be remembered that in Canada, 15 years ago, as the Minister of National Health and Welfare (Mr. Lalonde) pointed out on September 7 last, 38 per cent of the family budget was spent on food. This means that, despite inflation, the lot of the Canadian consumer has, over the long term, considerably improved.

Often, however, such statistics, instead of revealing the extent of the problem some families may know, manage to cover it up and people look no further. Still, if Canadians, generally, spend 20 per cent of their budget on food, the low-income family has to devote to food a higher proportion of it.

[English]

The National Council on Welfare, in an excellent report on nutrition published in March of 1973 and entitled "One