

*Anti-Inflation Act*

When the former minister of finance was holding one of his anti-inflation meetings here I happened to be at the airport that day—I think I was flying Air Canada on that occasion—and I could not help but notice that each of five chief executives from the Toronto area arrived in a big jet. There were Gulfstream II's all lined up and so on. One fellow I used to know well from a mining company arrived in a big Gulfstream II, and he is one of the people the hon. member for Brome-Missisquoi (Mr. Grafftey) talked about. There are four or five of them in the hangar which never seem to be used. I considered asking them to give us a ride now and then when ours had broken down. I remember one time when one of our old Viscounts broke down in Toronto and all of these planes were idle, and I know why the hon. Member for Calgary South traded in his old King Aire—it was not very dependable. I just wanted to put the record straight on the jet fleet that we use.

I am not ashamed to use this fleet at any time to take government to the people of this country. We could never, in this big country of ours, do this by commercial airline. We could never have the meetings we have, with all our staff and so on, in a commercial airliner. You could never get sufficient privacy for that kind of meeting. Anyone who says that a cabinet minister can use a commercial aircraft the same as anyone else just does not know the facts. The hon. member for Prince Edward-Hastings (Mr. Hees), or any other member, will tell you the same thing, Mr. Speaker.

I think we should be realistic when we listen to speeches about leadership, inflation, and government spending. Everyone asks for leadership. Why? Because the state of the economy is the most topical subject in Canada today. Everybody is talking about it. I ask hon. members to read the speeches in *Hansard*; they are all directed to what the federal government is doing about inflation.

We have taken some very bold steps in our fight to break inflation and the inflation syndrome. We had reached the point where inflation was feeding itself. People had come to expect inflation and were making excessive wage demands and marking up prices in the expectation that it would continue, and continue to get worse. We must bring inflation to its knees. We must change the attitude that we can take more out of the system than we put into it. If we do not change that attitude, inflation is bound to continue.

Inflation has hit the agricultural sector of our economy especially hard. Every time oil prices go up, farmers feel the pinch through increased operating costs for trucks, cars, tractors, machinery, fertilizers, feed, protein, labour and other inputs. Farmers have felt oil price rises as hard as, if not harder than, anyone in society.

Farmers have also been hit hard by wage inflation. Many farmers cannot hire farm labour because they cannot compete with the wage rates offered by industry. Land costs have gone out of sight in many parts of the country because of inflation. In many parts of Canada, land costs bear no relationship to productive agricultural value. It is a simple case of too much money being offered by people who want land—not necessarily to produce food, but as a speculation and a hedge against inflation. Canada must stop inflation in its tracks. To do this, all of us must stop asking for more from the economy than we are put-

ting in. If people want to receive more, they should produce more.

I repeat that farmers have been especially hard hit by inflation. Farmers in all parts of Canada have been caught in the squeeze. The whole problem with inflation and farmers' costs can be illustrated by an experience one of my neighbours had last summer. Near a town called Leamington a farmer had a 14-acre field of yellow beans this summer, and the crop was a good one. That was the root of his problems. For one thing, he could not get sufficient pickers. He had to pay the minimum wage, and he could not pay more or he would have been selling his beans at a loss. The bottom had dropped out of the market for his crop; it was down to 13 cents a pound.

Although the bottom dropped out of the price this farmer could get for his beans, it did not fall out of the labour market. Nor did the bottom fall out of the cost of producing these beans, the cost of machinery, gas, fertilizer or seed. None of these commodities went down in price.

Inflation is deadly to the farm community. That is why I am sure this anti-inflation program will be in the best interests of all, the farmers included. It will also benefit consumers. This government does not want the value of the dollar to drop, and this is the core of the program. We want Canadians to get value for their dollar. However, to get value for their dollar they will have to give value for their dollar. That boils down to productivity.

No farmer is going to be afraid of any program based on productivity. After all, in the last ten years farmers more than doubled their productivity performance. Non-farm sectors only increased their productivity by an average of 40 per cent, and that includes lawyers.

Some hon. members have been critical of the program. They ask, how can farmers and fishermen be exempt from the guidelines when the operations of marketing boards must obey the guidelines? I have heard people say that that is inconsistent. I have heard others say that the anti-inflation board is out to get marketing boards. Neither is true. There is a simple explanation for having marketing boards under the guidelines and not the farmers. Most farmers and fishermen in this country are unorganized, and therefore they have little power to influence the prices they receive. If they do not have a lot of clout in the marketplace, then they cannot command an inflated price. So there is really no need for controls.

Some marketing boards do have more clout in the market place, and that is why they live by the guidelines. Now I wish to deal with the important difference—the difference between unions, professional groups and so on, and the marketing boards.

• (2130)

Marketing boards, even with this clout, cannot gouge. They cannot inflate prices beyond a fair level. Why is that so? It is so because the National Farm Products Marketing Council is the watchdog over national marketing boards. Who is on this council? There are representatives of labour, representatives of the consumers, representatives of producers, and representatives of business on the present council which demands that prices paid to producers be based on the cost of production and a reasonable