

of its products before January 30, 1974, except in the event that imports would increase and provided that this step be approved by the Minister of Energy, Mines and Resources (Mr. Macdonald). The government also announced the implementation of a program designed to prevent the rise in prices of oil products in Canada, if the latter were to increase in foreign countries as a result of shortages.

[English]

Mr. Speaker, the cost of implementing the measures that were announced in August and September is estimated at \$322 million for the fiscal year 1973-74. Taken together, I believe all these measures adopted over the past several months add up to one of the most intensive and far-ranging programs of action adopted by any country for dealing in a workable and realistic way with the kind of inflation we are now experiencing, and moderating its impact on Canadians.

The type of inflation facing us at present is caused by the simultaneously strong demand everywhere in the world for a limited supply of goods. No one country standing alone can turn back that tide. While the Conservative leader wants to assume the vain posture of a King Canute by commanding the worldwide inflationary tides to recede from our shores, the interests of the Canadian people demand that we as a government concern ourselves with economic realities.

As the Minister of Finance has said before, we are doing everything reasonably possible to maximize our own supplies and in the process are increasing national output, employment and incomes, while at the same time minimizing the erosion of incomes of those who stand to be most hurt by inflation.

It is important that we ensure that our rate of inflation in Canada does not exceed significantly that of other leading industrial nations for any extended period of time. That puts a heavy responsibility on all Canadians, individually and collectively, to avoid pressing for excessive increases in prices and incomes in a vain effort to obtain protection against inflation. The result of such a course could only be an accelerating spiral of costs and prices that would intensify inflation, jeopardize Canada's international competitive position and impede the growth in future of production and employment.

We have been down that rocky road before and I do not believe many Canadians want to travel it again. I hope that we Canadians have enough plain, ordinary common sense to avoid that destructive course and, instead, to work together to achieve the goal of a steadily improving standard of living that we all can share.

Mr. Gleave: Mr. Speaker, as it is close to six o'clock, may I call it six o'clock?

The Acting Speaker (Mr. Laniel): Is this agreed?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Laniel): It being six o'clock, I do now leave the chair until eight o'clock tonight.

At six o'clock the House took recess.

Cost of Living AFTER RECESS

The House resumed at 8 p.m.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, this evening I wish to address myself to two themes which are one and the same, namely, the production of food and the cost of food, how they are related in this country and what we may or may not do to meet the needs of Canadians. Surely that should be our purpose. Our problems with regard to prices and inflation are related to our supplies of food and whether Canadians are doing what is sensible and logical to meet the circumstances which we face.

The Minister of Justice (Mr. Lang) who is responsible for the Canadian Wheat Board said this afternoon that escalating prices in Canada are due to the international scene. He can say that if he wishes, and thereby avoid the real issue of what we do on the Canadian scene. I listened to the speech of the hon. member for Don Valley (Mr. Gillies). He stated what we should do and outlined the circumstances surrounding the present economic situation in Canada. At the end of his remarks I still did not know what he or his party would do to meet the circumstances which we face.

If we want food at reasonable prices, we should produce more food.

Some hon. Members: Hear, hear!

Mr. Gleave: The Americans have received the message and have changed their policy to all-out production. This has been stated by Mr. Butz, the United States Secretary of Agriculture. This has also been quoted in *Time*, which is like *Pravda* for the present U.S. administration: it is the magazine which tells the official story for the United States, just as *Pravda* tells it for the U.S.S.R.

Mr. Grafftey: Yes, like Watergate.

Mr. Gleave: That is a mess. The U.S.S.R. has its own Watergate, only the details are not published. The article I have referred to reads in part:

The greatest obstacle to increasing output is not technical but psychological: the farmer's traditional fear that if he grows everything he can, he will only produce a glut that will depress prices.

The article is absolutely right. There is no technical bar to producing all the food Canadians could possibly use, at very reasonable prices.

I want to compare what is being done in the United States with Canada. They have established a policy to pay \$2.05 for every bushel of wheat that American farmers produce in the next crop year. They have released all acreages held back as a result of programs to restrict production. In other words, the message is out: All-out production.

What is the Canadian policy? Today the minister in charge of the Wheat Board finally announced a policy which he has been germinating for the past 48 hours, or possibly the past week. I have followed the newspaper releases each day. When I heard him enunciate this policy I thought that he and his advisers must have been in an aircraft headed toward Regina, and while travelling between here and Regina they outlined the policy they