

● (2220)

[English]

THE CANADIAN ECONOMY—FINDINGS BY CSIP—GOVERNMENT ACTION THEREON

Mr. Jack Hare (St. Boniface): Mr. Speaker, on Friday, March 9, I asked a question of the Prime Minister (Mr. Trudeau) regarding the new toothless watchdog which he created, the National Commission on Inflation. Here we have another in the long line of task forces to "study and monitor" inflation but having at the same time either no independence or no power. The government's answer to every discomfiting problem which arises seems to be the same: appoint another commission. It either cannot deal with the problems directly, or it is afraid to take action for which it might later be held responsible. The government would rather pass the buck to a commission, hoping that it will take the heat off. Well, it will not take the heat off because Canadian people are not so stupid as to be deceived by this kind of buck passing, this throwing of commissions at problems. Canadians know that with a good government the buck stops on the Prime Minister's desk, and that is what the government will see after the next election.

Since 1969 we have seen five commissions appear, and four of them disappear. First we were given the Prices and Incomes Commission. Then it grew tired and had to be replaced by the Food Prices Review Board. The Food Prices Review Board begat the Anti-Inflation Board which was to impose those controls which the Prime Minister had said would never be. The controls ended after three years, but the government had grown so accustomed to its commissions that it had to create another one. So, the Prime Minister went to Dr. Sylvia Ostry and instructed her to build CSIP, the Centre for the Study of Inflation and Productivity, within her Economic Council of Canada. But it seems the Prime Minister made an error in judgment, for CSIP proved not to be the uncritical handmaiden the other task forces had been. Because it was brought into being under the auspices of the Economic Council of Canada, CSIP operated in the same independent, uncompromising way which had characterized the economic council. It would not be an apologist for government policy; it chose to be outspoken and often critical.

Soon after it was created, CSIP proved its refusal to be manipulated. It issued a criticism of the government's wage settlement with letter carriers, attacking it as being excessive and inflationary. Then in October, 1978, it ruffled the government's feathers by its critical assessment of federal dairy policy. CSIP argued, and many agreed, that it did not make economic sense to use taxpayers' dollars to subsidize the overproduction of industrial milk, especially when the milk had to be sold at a loss on the international market. CSIP was being insubordinate to the government. It was behaving like a delinquent child and, like a delinquent child, it had to be disciplined. After all, the government could not have its own commission criticizing the government as aiding and abetting inflation. Thus the government destroyed this troublesome CSIP with its annoying penchant for public criticism, and

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created another commission, NCI, the National Commission on Inflation.

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Why did the government decide to replace CSIP with this new agency? The Minister of Finance (Mr. Chrétien) claims it was because some firms refused to disclose information CSIP had requested. He did not mention how many, but I will. There were two out of 190, just under 1 per cent. It is clear that, by and large, the companies have nothing to hide in so far as prices, profits and wages are concerned. But can we say the same for this government?

When the disbanding of CSIP was intimated shortly before the announcement on March 2 of the creation of the NCI it was reported that some staffers expressed dismay over the closing of CSIP. Let me quote from the *Montreal Gazette* of March 6 in which a CSIP spokesman was reported to have said:

We were on the edge of some really super stuff. Our program was just starting to take shape and in the next three to six months, we would have broken out with some important results.

I would like to ask the minister what will happen to those incipient findings? What will happen to the CSIP studies that were in progress, the studies dealing with structural aspects of inflation and labour force mechanisms, and the study on the Crowsnest pass freight rates? What will happen to the \$500,000 in research contracts that CSIP has outstanding? Will they be muzzled and aborted in the same way that CSIP was?

I would also like to ask the minister to explain the mandate of the NCI. On March 9 the Prime Minister told the House that CSIP was not reporting directly to parliament but that it was reporting directly to the Prime Minister. The truth of it is that CSIP was reporting to parliament and the public through the Prime Minister, but he had no control over the content of its reports. Can we say the same for the NCI? Where is the provision in the order in council creating the NCI which specifies that it will report to parliament, unimpeded, in the same way that CSIP did? It is not there; instead we are told that the national commission will be reporting to the Minister of Finance.

The Minister of Finance said in his March 2 press release that the NCI would be making its reports public "when it was deemed advisable". What does this mean? Does it mean that the public release of some reports of the NCI will be deemed "inadvisable" and that these reports will then be kept secret?

My objection to this is twofold, Mr. Speaker. First it is that the appointment of commissions, studies, task forces and review boards has been proven over the last ten years to be a hopelessly inadequate way to deal with inflation. The government must take responsibility for inflation, and the problem should not be dumped on the shoulders of commissions.

The second is the fact that this government kills the commissions it creates before they have a chance to get off the ground. As Mrs. Ostry was quoted in the March 9 edition of the *Montreal Star*, "What saddens me is that we've been killed just when we were gaining momentum."