

Anti-Inflation Act

Works where I questioned the Minister regarding this multi-million dollar blunder. A new building could have been built for at least \$4 million or \$5 million less than this extravagance they have been involved in in renovating an old building which they will move out of in three or four years. I should like to ask the member for St. Boniface why they are paying \$4.50 a square foot.

Mr. Guay (St. Boniface): Sit down and I will tell you.

Mr. McKenzie: You sit down for a change. The going rate for this type of a building is \$2.25 per square foot. Ask him to sit down, Mr. Speaker. He does not know what he is talking about. In business circles in Winnipeg I have been approached and asked by people if they could get in on any other such sweetheart deals.

This is one of the biggest blunders ever pulled off by the Department of Public Works, and other businessmen in Winnipeg would like to get in on this type of deal. The president of CAE, when he is out with his friends for a coffee, is laughing at how he took in the Department of Public Works on this deal. I suggest to the hon. member that he read my previous speeches with regard to this deal.

Mr. Guay (St. Boniface): I do not have to read speeches as you do.

Mr. McKenzie: If you would do a little more reading and a little less of what you are doing you would be better off.

If we take a serious look at the message of the Auditor General it is startling to note that in 1975 it cost 18 per cent more just to pay civil servants than in 1974. There are now more than 300 federal regulatory agencies, and yet there is no cost benefit yardstick to apply to them. The time has come to stop this nonsense the Trudeau government has forced on the Canadian people.

Now that the Prime Minister has decided that the Anti-inflation Board is here to stay, perhaps the government's record of restraint ought to be put under close scrutiny. Since the creation of the Anti-inflation Board its administrator, Donald Tansley, told the Finance Committee of this House that he had \$198,000 more than he needs to run his office for its first three months. On February 27 the chairman of the Anti-Inflation Board, Mr. Pepin, said the board's staff had reached 410 and is still growing. When the program was announced last fall the Minister of Finance (Mr. Macdonald) gave an estimate of fewer than 200 staff members.

The Anti-Inflation Board is well on its way to stepping in line with the government's attitude toward restraint. A Canadian Press report headlined "Fighting inflation at \$240,000 a week" went on to report the Anti-Inflation Board will spend \$12.5 million in the fiscal year commencing April 1. In another report it is pointed out that the office of the anti-inflation administrator will cost taxpayers about \$100,000 a month. It has indeed become clear that something is amiss. How can we fight inflation by contributing to it? It is sheer hypocrisy. Last fall I spoke of the issue of parliamentary accountability, and now more than ever I believe the Anti-Inflation Board should be completely accountable to parliament.

Three months ago we recognized that if Ottawa is to gain broad public support for its anti-inflation program it will

[Mr. McKenzie.]

have to find a way to make public its actions and decisions on both prices and wages. Only through a build-up of case histories can a pattern be established that will enable Canadians to co-operate with the fight against inflation, and in the process build the credibility of the Anti-Inflation Board. The way things stand now, the public's faith in its effectiveness is not very high. As board chairman Jean-Luc Pepin said, "Mum's the word on most increases the board approves of". The taxpayers have a right to information about the board's activities. Naturally we recognize and respect the need for a certain amount of confidential items, but more information is needed.

The Anti-Inflation Board must make an effort to explain such things as why a group of teachers is deemed to merit a salary increase of 26 per cent, whereas some pulpworkers are limited to 14 per cent, both above the 10 per cent normal increase provided in the controls. To dispel this confusion the board must untangle the bureaucratic cobwebs and work to prove its competence. More important, by creating such confusion the board makes it difficult to know precisely what are the board's policies. There is neither rhyme nor reason to date, all in keeping with the government's attitude on inflation.

The Trudeau administration has made the whole scheme too complex to be understood by the ordinary citizen. The people in my riding, Mr. Speaker, do not have the time to read official documents on whether the prices they pay for food, clothing, fuel, and so on are within the distribution rules or the general net margin rules or the unit cost rules. All they want is real proof that the cost of living is in actual fact going down.

Even when interested individuals do wish to learn more about the program there seems to be a reluctance to help them. Take the case of the course at Niagara College of Applied Arts in Welland, Ontario, as reported in the *Toronto Globe and Mail* of March 17. It was, according to the report, the only non-union agency in the country to have a course on the anti-inflation guidelines and it attracted a good number of people. Mr. E. W. Robinson, chairman of the institute, reported he could not get a government man to come down. The board's media relations man, Mr. Roger Levett, was quoted as saying the problem is manpower.

Some months ago I stated that there should be consultation with the public at all levels. I believe the government has shirked its responsibility. There should be consultation with the provinces, municipalities, industry, labour, and indeed the public in general. In the case of municipalities the government has, by lack of consultation given them a free hand in spending, and this is not good.

I have received communications from small businessmen who are looking for relief from the rules. The board's guidelines make it possible for large companies in a field to reduce prices to stay within the guidelines. It will also force small companies to cut prices or lose business. Mr. J. L. Biddell, a member of the Anti-Inflation Board, in a speech to the Kitchener-Waterloo Chamber of Commerce on February 23 said:

If relief from the rules is not granted in some cases, some companies will not be allowed to earn sufficient profits to remain in existence.

In the same speech Mr. Biddell said the present guidelines could result in large companies getting larger and