

*Anti-Inflation Act*

**Mr. Clark:** I would be remiss if I did not at least acknowledge the contribution made to this debate by the hon. member for Oshawa-Whitby (Mr. Broadbent). He has, to give him credit, a simple and straightforward position. In his view, the major weakness of the present controls program is that it does not control enough. He advocates a national incomes policy which, as I read it, amounts to government assuming the role of national paymaster, deciding how much each sector of our society should get from the economy. As I say, sir, it has at least a certain simplicity to it. I have to ask myself whether the member for Oshawa-Whitby has enunciated that concept to his friends in the labour movement. But, then, I suppose organized labour is prepared to concede the odd aberration to my friends on the left in the practical comfort that they will never have the opportunity to implement this or any other of their unrealistic proposals.

**Some hon. Members:** Hear, hear!

**Mr. Clark:** We realize, Mr. Speaker, that there is never an easy way or a right time to get out of controls. However, we submit—and we seem to have the support of the Minister of Finance on this point—that our present economic circumstances, with the large amount of unused capacity we now have in our economy, is as good a setting as any in which to begin the decontrol process. The circumstances now are as good as they are going to get. To wait would be irresponsible. Waiting would mean we would have to face decontrols—if the Prime Minister ever lets us face decontrols—in an atmosphere that is not as effective as the present one.

We accept that, even with a stagnant economy, there could be short-term price and wage pressures, and we have advocated a series of proposals to deal with any such pressures which might arise. I will summarize the proposals made by my colleague. We want legislative action to ensure that rulings by the AIB and the administrator retain their effect even if the AIB is dismantled. I note from his remarks the other night that the Minister of Finance accepts that proposal.

**Mr. Fraser:** After we put it forward.

**Mr. Clark:** As my colleague from Vancouver South says, “after we put it forward”. We want a monitoring agency established within the Department of Consumer and Corporate Affairs. That is a proposal the minister does not accept, for very good reason. The monitoring agency under Consumer Affairs is too small for him. It is not a big enough bureaucracy. He will not accept anything that will not allow the bureaucracy to grow larger and larger. We believe that a monitoring agency within the Department of Consumer and Corporate Affairs could do the job that needs to be done to get us out of the controls program.

**Some hon. Members:** Hear, hear!

**Mr. Clark:** We would, as my colleague said in his remarks, require corporations and unions to provide 30 days’ notice of price and wage increases. We want the cabinet to have ultimate power—

[Mr. Clark.]

**Mr. Caccia:** Great idea.

**Mr. Clark:** I am a little suspicious of receiving any support from the auspices of anyone who wants to have so much control over the economy as the hon. member for Davenport. I am pleased, at least, to learn that he is listening. We want the cabinet to have the ultimate power to roll back any such increases which are deemed to be clearly excessive and contrary to the public interest. We recognize that this may require some legislation; but after all, that is what parliament is all about. If we need to have some legislation to build in that power, we will do it.

The Minister of Finance raised a red herring the other night suggesting there would be no authority for the parliament of Canada to do that. I simply make one suggestion which I would have thought would have occurred to the minister. The Supreme Court of Canada has already ceded the roll-back authority to one federal agency, the Anti-Inflation Board. It would be a simple matter to have that extended to another federal agency, the most senior agency, the cabinet of Canada. That, sir, is a concrete program. It is a specific program. It is a workable program. I have no hesitation in offering it as a constructive alternative to the minister’s “first in, first out” system which will lead to all kinds of inequities and which, in all likelihood, will stretch out the present program at least to the end of 1978.

As the hon. member for York-Simcoe made clear the other night, one of the things that this government may be considering—we do not know, and this adds to the climate of uncertainty, making it impossible for Canadians to plan—is a date for the beginning of a decontrols regime which would, in effect, mean that controls would stay in place for most of the corporations and large unions in this country until the end of 1978. That is pretty good hocus-pocus, but it is pretty dangerous economics for a country like Canada. This debate has centred on a specific question, the timing and nature of the decontrols process. In a way, it has also focused on some much larger questions and some basic differences among the parties in this House. As I already have indicated, the NDP, to give them credit, operate from the basis of a consistent ideology. They have no faith in the free market system, and they have every faith in the ability of government to plan and to manage society in infinite detail. I totally reject that ideology, but at least I give them credit for having one.

This government, of course, has no ideology at all. To it, principle is something you collect interest on, preferably at elections. There was no more damning evidence of that than the emphasis the Minister of Finance placed in this debate on opinion polls and the short-term politics of decontrols. In place of principle this government is prepared to do literally anything that its backroom manipulators deem to be politically convenient, because the single thing in which this government believes is its own right to direct the lives of Canadians.

Even putting aside principle and morality, the problem with that approach, sir, is that it simply does not work. Having flip-flopped into controls, they have done nothing whatsoever to make constructive use of the time which controls could have