

*Labour Conditions*

the period from 1965 to 1980, and over this period over 3.5 million new jobs will be created. Comparing this with other countries, we can see its significance. For example, in the United States, for the same period 1965 to 1980, there will be a 30 per cent increase. During the same period, most western European countries will have a 5 per cent growth in their labour forces. Countries like Sweden have practically no growth rate. So it is important that we control inflation and create more jobs.

I believe that there is general support for the anti-inflation program, not only to reduce prices but also to help our unemployment problem and to put us in a position where we can take advantage of the general economic upturn which seems to be indicated for the last half of this year. Already there has been some indication of a reduction in the rate of the consumer price index with rates lower in both December and January. The December increase was the lowest for any month in three years, only .1 per cent, and January's was at an annual rate of 7.2 per cent. Both are lower than last year. Likewise, the jobless rate has been reduced during the past month or so.

● (0030)

It seems to me that the price side must be the critical concern of the Anti-Inflation Board in the months ahead. Only if the rate of prices continues to moderate will working people be willing to have guidelines on wages. Some 6,500 firms across the country now have to disclose to the Anti-Inflation Board all their profits, prices and dividends and provide this information to the board by February 27. The profits must not increase even though the volume of sales goes up. As well, 117 major firms and their subsidiaries—which brings it up to some 200—which sell \$28 billion worth of consumer goods and industrial materials must give the Anti-Inflation Board 30 days notice of any significant increase in price. The board has the power through the administrator to roll back unjustified price increases and should use this power whenever necessary.

Members of the New Democratic Party, during the years of the Food Prices Review Board, demanded that the board be given power to roll back unjustified price increases, profits and rip-offs. Now we have a board with exactly these powers. Why do they not support it?

**Mr. Symes:** On a point of order, Madam Speaker, I hope the hon. member for Algoma (Mr. Foster) would not want to mislead the House. There are no roll-back provisions for the Anti-Inflation Board relating to prices.

**The Acting Speaker (Mrs. Morin):** Has the hon. member for Algoma completed his speech?

**Mr. Foster:** Yes.

**Mr. Symes:** Madam Speaker, would the hon. member permit a question?

**Mr. Foster:** No, Madam Speaker.

**Mr. Peters:** The answer is not written out, so he cannot give it.

**Mr. Paul E. McRae (Parliamentary Secretary to Postmaster General):** Madam Speaker, I welcome the opportu-

nity to speak in this debate. I have been bothered for several months because the Canadian people have not paid more attention to this strike in the pulp and paper industry. In mid-December I proposed a motion under Standing Order 26 which was not accepted. It seems to me that in this country, unless something happens in Toronto, Montreal, Vancouver or Ottawa it just does not happen. When there was a very serious strike in the Post Office, every minute of every day the press was bombarding the minister. This particular strike, which affects more people and affects the economy perhaps as much as the Post Office strike, drew no attention at all until the situation became desperate. I welcome this debate and I am pleased that we at least have a chance to give some attention to a very serious problem.

We are all aware of the twin scourges of inflation and unemployment. I spoke on this matter at least two years ago in terms of the Galbraithian idea that prices were being manipulated and wage costs were being passed on. I was, therefore, pleased that the sector of the economy capable of passing on these costs was brought under the controls. Companies with 500 employees or more were controlled so that something could be done to avoid the scourge of inflation which is accompanied by high unemployment. The controls were not introduced in 1974, as the Conservative party had wanted. Then our inflation was fed by demand, and controls would only have complicated the situation and made it worse. There would have been a tendency to reduce supply.

By 1975 conditions had changed and we experienced cost-push inflation. At that stage of the game the controls were probably necessary.

In July and August, 1974, labour income was lagging and prices had risen more quickly than labour income. During the period 1974-75 we saw some significant catch-up affecting a significant portion of the country's working people. Some had not experienced this catch-up when the government introduced controls in October. Consequently it included the provision covering contracts entered into before January 1, 1974, special cases, and historical relationships.

I am not happy with the deliberations of the board on these two particular matters and I am not happy with its workings. The board has not adequately assessed historical relationships, for instance, those that exist between woodland workers and those in the mill. It overlooked the significant increases granted to woodland workers, certainly in my area, in late 1974 and again in 1975. These distorted the picture. I do not think that the Irving settlement, if applied to the Abitibi and Great Lakes paper companies, would have been adequate. I do not think the board took into account these historic relationships. I think the board has failed to come to grips with some of these problems, and for a good reason. It does not fully understand what the implications of its programs will be for the labour movement and does not know how its programs will affect the general welfare of Canadians.

We have four paper mills in our town, three Abitibi mills and one Great Lakes mill, on strike. The first group has been on strike eight months, the second for six. It has been a long strike and there is much hardship. As the hon. member for Algoma (Mr. Foster), said many families are in