

gets into place, we will make substantial progress in solving what we feel is our most important economic problem.

[*Translation*]

**Mr. Réal Caouette (Témiscamingue):** Mr. Speaker, the Minister of Finance (Mr. Benson) has just talked about inflation, price controls and agreements between business men and government agencies to curb inflation.

We are considering a motion presented by the New Democratic party, which reads as follows:

—this House therefore calls for the immediate implementation of full employment measures, and a commitment to a comprehensive prices and incomes policy.

Mr. Speaker, the reason for the present high unemployment figure in Canada is precisely because we have a surplus of products.

The minister said earlier that we should increase productivity with a view to raising the standard of living. Another minister asserted the direct opposite, and the minister without portfolio responsible for the Canadian Wheat Board (Mr. Lang) said recently in a press release, and I quote:

The minister without portfolio repeated what he had said previously, that grain growers in the Prairies would do well to reduce substantially their output.

The same thing is asked of eastern milk producers. We have too much wheat, too much milk, too many clothes, too much lumber, too many foodstuffs, too many cars, too much furniture, too many TV sets, too much of everything!

And now the New Democratic party suggests a policy of full employment. But for what purpose? In order to produce more wheat, milk, TV sets, furniture, cars, food, while people lack adequate purchasing power to buy those products? That is the trouble, and yet, the Minister of Finance keeps mum on that matter. In his opinion, this bad situation is due to the fact that salaries are too high, to producers, to manufacturers, in short to everybody except the credit makers in Canada. We must not mention these people!

Smiling and with an air of triumph, the Chairman of the Incomes and Prices Commission, Mr. Young, accompanied by his Vice-Chairman, Mr. Paul Gérin-Lajoie, appeared on TV Tuesday, February 10, to announce that industrialists, businessmen, bankers and dealers attending the National Conference on Price Stability had agreed to unite in a

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common front against inflation and to accept restraints, with the blessings of the Minister of Finance, the Prime Minister (Mr. Trudeau), the Leader of the Opposition (Mr. Stanfield) and the Leader of the New Democratic party (Mr. Douglas).

This is a great day. Indeed, responsible men put chains on themselves lest the federal government find heavier ones for them.

After having increased interest rates and prices, it is agreed not to decide any further increase. This does not improve by one cent the buying power of the unemployed, of the welfare recipients, of our retired people and of the old. It is fine to agree not to increase prices but this will hurt the sale of goods. According to them, inflation is responsible for the increase in the cost of living. But, everybody agrees on that!

Prices are in excess of the families' buying power. Then what? Inflation must be stopped! Certainly and this is urgent. Moreover, the minister just said so. But if someone is sick or should have a limb cut off, the sickness should be cured and the sick limb should be cut off. If your toe has to be amputated, you will not have your arm cut off.

Prices must not be allowed to rise. Everybody agrees on that.

But are not prices set in line with costs? Logically, the stress should have been put on reducing production costs before lowering prices. But this has been ignored, and it is suggested that the fight should be against the consequences rather than against the causes of inflation, of price increases.

The Minister of Finance has just given the causes of inflation. I intend to give him others. Businessmen, men in politics, members of the Prices and Incomes Commission, are making fools of themselves by not tackling the causes of price rises. The opponents of Social Credit usually say that putting its theories in practice would lead to inflation.

The Liberals said it and they still repeat it occasionally. The Progressive Conservatives said it also and the economists have repeated it. Today Canada and the United States are faced with inflation, like almost all the nations of the western world. Who is responsible? Social Credit, which is not applied anywhere, or the present financial system?

The Créditistes know what inflation is, like the Liberals, the Progressive Conservatives and the socialists. I do not know whether they know it well but we do. Unlike the other political parties which are all in the service of