

Anti-Inflation Act

to those who did not need that type of assistance. Do we want to encourage demand? Do we want to encourage people already adequately housed to look for something better? I suggest that such a policy of encouragement at this moment, when the rate of new supply has been decreasing, is not good. The C. D. Howe report suggests that governments should do much more to increase the supply of housing and to place less emphasis on the demand side.

The OECD report to which I referred stated that an immediate recovery in the economy would best be promoted by giving priority to residential housing and to business fixed investment. Hon. members no doubt want to hear from the Minister of State for Urban Affairs who is preparing new policies and programs which will do exactly what is recommended by the various reports just referred to.

To sum up, the government's anti-inflation program may be regarded as regrettable, but conditions which make necessary this kind of policy are there. The conditions of overreach, of overkill, have made necessary such a far-reaching policy and new intrusion of government into the free market economy of Canada. But the policy is demanded by the circumstances, circumstances which speak for themselves. The transition period will be tricky, and a satisfactory way must be found to resolve any serious inequities. My confidence in the government and in the people who will serve on the review board is great enough to lead me to think that these inequities will be dealt with.

On Wednesday afternoon my colleagues and I will meet with pulp and paper workers of northwestern Ontario to talk about the situation in which they find themselves in this transition period.

Mr. Baker (Grenville-Carleton): I hope they share the hon. member's confidence.

Mr. Penner: I hope so, too. I think there is every reason for them to share that confidence. The government's program must succeed. Its success will be assured if the rate of increase in food prices is moderated, if there is a good supply of adequate housing and if we pass through the transition period without causing inequities which would otherwise be perpetuated well into 1976 and during the remaining period in which the controls program will be in existence.

Mr. Edward Broadbent (Oshawa-Whitby): Madam Speaker, last Tuesday when I spoke on behalf of the NDP on the white paper I said that in our view the government's proposals for controlling prices and wages were unfair and unworkable. In the last week I have listened carefully to the minister and the Prime Minister (Mr. Trudeau) explaining and justifying the program, and I must say that my conclusion will not surprise my political opponents: I think my original position was right and my party was right in saying that the controls are unfair and unworkable.

In the last 72 hours the minister has made himself readily available to the media, so much so that he has been willing to talk almost at the drop of any microphone, so to speak. For that reason alone, I am suspicious about the government's confidence in their own program. I saw the minister on television, on "W-5". He was on the CBC radio

[Mr. Penner.]

program "Cross-Canada Check-up". He wrote an article in the *Toronto Star* and appeared last night, on behalf of the Liberal party, on the television program "The Nation's Business". Yet in none of these programs or articles has the minister really dealt with the crucial questions raised about the controls program. He has not made his case for their need. Neither during the debate so far nor during the weekend has he dealt with the alleged cost-push factor and why we need such controls.

As I say, he did not deal with that at all. There is a two-paragraph reference only to this subject. He did not deal with the issue in terms of increasing labour costs on the one hand, or in terms of our supposed trade problems on the other. He made passing references only to both of these subjects. They surely are a precondition for this kind of program. Nor did he allay fears expressed not exclusively by my party but by a good number of Canadians across this country about the unfairness and unworkable nature of his own proposals.

This afternoon I will not travel over ground I travelled over last Tuesday. Nor will I repeat what the hon. member for Yorkton-Melville (Mr. Nystrom) said on behalf of the NDP. Instead, I shall deal with the principle arguments the minister continues to put forward to justify his program. First, the minister emphasized in his article in the *Toronto Star*, in his television performance following the national news last night and on the television program "W-5" the same evening, that the program is intended primarily to benefit people on low and fixed incomes. Clearly, that is the message he wanted to convey to the people of Canada. I begin by saying that if the program achieves this, the minister will have done something remarkable; he will have done something to justify the hon. member who just spoke. In other words, the Liberal party will have taken a 180-degree turn and changed its direction of one year ago. I remind the hon. member and the minister that, speaking about this program during the past year, the Prime Minister has said that the group which would be most seriously negatively—not positively—affected in Canada by these kinds of controls would be the weak and the poor. In 1974 the Prime Minister said that these people would be most hurt under such a program.

This specific kind of program was dealt with in general statements made by the Prime Minister. I suggest that the program will most seriously affect negatively, contrary to what the minister has said during the past 48 hours, that same group. About whom are we talking? We are talking about the poor or, to use the words the minister used last night on television, the small people or little people. I do not particularly care about the term, but we know what it means: it means low income people. They are either working poor people or pensioners. Consider how this specific program is to affect such people. First, what is the government doing for workers in the labour market but living at the poverty level? I remind you that the federal minimum wage provides a worker in Canada with only \$5,400 annually. Madam Speaker, \$5,400 a year is paid for those earning the minimum wage set this government. That, by the way, is \$2,400 less than the poverty level for a family of four: the current estimate for the poverty level for a family of four in Canada is \$7,871. We now have a federal minimum wage for workers in Canada that is \$2,400 below