

Anti-Inflation Program

Mr. Edward Broadbent (Oshawa-Whitby) moved:

That this House rejects the government's anti-inflationary program because it is totally unworkable in terms of controlling prices, because it provides no effective control over profits or professional incomes, and because it is completely unfair to wage and salary earners in Canada.

He said: Mr. Speaker, I want to thank you for your highly impartial and, if I do not sound presumptuous, reasonable ruling on the legitimacy of the motion. At the outset I want to say, on behalf of the New Democratic Party, that the problem of inflation is unquestionably the major concern of the vast majority of Canadians at this time. It is the scourge of virtually every Canadian family. The majority of wage and salary earners who are not in the trade union movement are negatively affected by it. Those men, women and young people who are in the trade union movement are affected by it. Pensioners and all those who are dependent on savings are affected by the current, unacceptable high level of inflation.

Above all, the 20 per cent of our population who find themselves among the poor, whether they are trade unionists or not, pensioners or not, are seriously affected by inflation. It is, I repeat, a scourge affecting our whole population. This causes people to move from adequate, but not luxurious, accommodation into poor and substandard accommodation. It causes those who are already living on poor diets to switch to diets that are, quite literally, dangerous to their health. It causes families to give up plans for the most modest of vacations. It will cause, in the coming winter months, countless ordinary working families to abandon any hope of equipping their youngsters to play on minor hockey teams. It hits as directly and as movingly as that. It is something for which the present government is responsible at least in the sense of not taking steps in recent months to reduce it substantially if not eliminate it entirely.

● (1210)

The effects of inflation are not vague; they are specific. They affect countries differently. In 1975 the rate of inflation is different in different countries. Some industrial countries, which I will not take time to list, have coped with inflation much better than this country has under this government. In our view, it is crucial to understand where inflation is affecting us, as the wrong diagnosis of our problems may result in the wrong prescription being administered for their cure. We must consider the over-all effects of inflation. Understanding the typical family's spending pattern is also crucial, because it does not matter one whit if Cadillacs, for example, cost 300 per cent, 400 per cent or 500 per cent more if the average family is not in the market for a Cadillac.

If we consider where price increases are taking place and look carefully at the typical family's spending pattern, we must conclude, as the NDP has, that the principal areas of concern of Canadians are food, shelter and energy costs which account for about 65 per cent of the typical family's spending. The evidence shows that prices in recent years have risen disproportionately for food, shelter and energy. If we are to cure inflation as it affects Canadians we must concentrate on bringing prices down in these specific areas. That, precisely, is what the government failed to do before Thanksgiving, and it is precisely what its program announced that day will fail to provide for Canadians in

the future. Nothing in the government's anti-inflation program, nothing in the most recent budget and budget bills will ease the burden or bring down one whit the cost of living in the areas I have mentioned. On the contrary, the increased excise tax on oil has meant a higher price for oil, whether in the form of gasoline for our cars, energy for heating our homes, or oil for our factories.

The failure to control interest rates and increase the supply of housing has led to increased rents and higher priced housing for Canadians. The failure to give the Food Prices Review Board authority to order the rollback of unjustified price increases has contributed to the increase in food prices. The failure to give the Anti-Inflation Board proper authority to order rollbacks on the spot of unjustified price increases will contribute to increased food prices in future. Surely these are the crucial questions, the decisive questions. The government knows where inflation has occurred and where it ought to act, but it has failed totally to take appropriate action for dealing with inflation.

I suggest the government has failed because decisive action in the areas I have mentioned would bring it into direct confrontation with three sectors of our economy dominated by a handful of corporate giants. In order to deal with energy prices, the Liberal government would have had to confront the multinational oil companies. In order to allocate investment to housing and bring down mortgage rates, the Liberals would have needed to confront the banks and trust companies. In order to regulate food prices in Canada, the Liberals would have been forced to confront the few food chains which control the grocery business in 75 per cent of the markets in Canada.

Of course, the Liberals do not confront corporations. On the contrary, they set up royal commissions whose purpose is to give corporations a thorough application of white-wash. The most recent royal commission appointed by the Liberal government, after concern expressed by this party last spring, is a prime example. That royal commission will not look into one substantial question or problem arising from corporate power or the concentration of such power in Canada. The answers given to the submission our party presented at the recent hearing in Ottawa made that abundantly clear. The government has not acted decisively in specific areas where inflation is of concern to Canadians because decisive action would have required it to confront key corporations in key sectors, and the Liberal party never does that.

What is our approach to this question? I notice the Leader of the Opposition (Mr. Stanfield) listening to what I am saying. I hope I can influence him to support our motion. I was interested to hear him speak on the government's anti-inflation bill. His party supported the bill. Yet after hearing Conservative spokesmen address the nation on the television program "The Nation's Business", I am under the impression they are preparing the ground for opposition to the government's anti-inflation program at third reading. Some parties have tried to face both ways in the past. I hope this will not be the case with the Conservative party. I have the highest respect for its leader and hope that in today's debate his party will make known its solid opposition to the sham program the government has put forward.