

Food Prices Committee

prices have gone up by as much as 50 per cent since 1968. I realized this when I started comparing current super-market ads with those of four years ago. In 1968 staples like meat, vegetables, fruit, butter, eggs, cheese and coffee that I could have purchased for \$18.68 would today cost \$28. This is an increase of over 50 per cent.

Let me tell you that the primary producer is no better off than he was in 1968. The food price increases are not reaching the farmer. What is even worse, there appears to be no end in sight. Statistics Canada reports that the general food price index has risen 8.6 per cent from December, 1971 to December, 1972. The present government obviously does not know what is causing this spiralling and has been unwilling to attempt measures to stop it.

To the extent that the food inquiry might come to some basic conclusions about food increases, I hope that, unlike so many other reports, it does not get covered with dust or perhaps lost in some flour bin. Again, I ask what will happen in January, February and March of this year? There is a great fear that food speculators will have a free ride for these months and will take advantage of the time lag in getting the report of the committee. The urgency of the immediate situation bothers me. To get us through this period of winter seasonal hardship, the government should have considered companion action in the form of price freezes, voluntary wage and price controls or some other structure until the committee has had a chance to report. These are measures which could help those millions of Canadians who will suffer from deprivation this winter, rather than make them wait for the final outcome of the committee's report.

• (1620)

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, of course some interesting contributions have been made during this debate. It is very difficult to come to grips with and even more difficult to find answers to, this situation within the system in which we live. In his contribution to this debate the hon. member for Northumberland-Durham (Mr. Lawrence) promised to be brief and sharp. He promised to be sharper than the Minister of Consumer and Corporate Affairs (Mr. Gray). Indeed he was brief, but it is very difficult to find in his speech, as recorded on page 433 of *Hansard*, any evidence that he was sharp. One highlight of his speech seemed to be this statement:

The answer is simple: he is wrong and his colleagues are wrong. Food prices, like all prices, are simply running out of control today.

Having said that, he carries on and lays down a number of conditions in respect of the support of his party. He makes a tremendous contribution to the effect that it is the intention of the hon. member, on behalf of his party, to introduce an amendment which would reduce the number of members of the committee to 20.

Continuing on to the end of his speech, one finds very little evidence of a positive, constructive contribution that would permit members of this House and members of the committee to point to some guidelines or indications of what is in the hon. member's mind. At least the hon. member for Scarborough West (Mr. Harney) expressed the thought that what we have before us is a very complex problem. I agree. It seems to me that the question of price,

[Miss MacDonald (Kingston and The Islands).]

be it in respect of food or other commodities or services, is a question that is integrated with wages, incomes and profits and that therefore when we speak of price we are speaking of an item that is the result of a number of factors including the salaries of individuals, the percentage of profit which takes place at the retail level and so on. Therefore, we really are analysing the whole structure of our society when we try to come to grips with the question of price.

If we imply that we wish, in order to control the rising cost of food, to introduce a system of wage controls, I would think that it would be most unfair, particularly in respect of the category of salaried workers who are still desperately attempting to catch up with the remainder of society but who have not been fortunate enough to belong to powerful unions or powerful professional organizations over the years. This government—and I admit without success—asked Canadians to assume the responsibility of self-imposed voluntary controls. We all remember the experience of 1969-70. The suggestion was not well received. Perhaps it was not well explained. It was rejected, and here we find ourselves again, a few years later, facing what looks like another inflationary round still without a substantial knowledge of how to come to grips with this trend which affects not only Canada but apparently every other country which has a so-called free market society.

It seems to me, in light of the system we have and the society in which we live, the solution expressed at that time, which is still before us, that of voluntary self-imposed controls, is the most desirable one because it does not strike at the root of our system but invites, recommends and hopes that we can practise self-restraint. However, the reality of the situation is still that we are not ready for such an application. Therefore, what has happened in the intervening years is that the Liberal government in this country took measures in respect of redistributing the purchasing power of the people. It said it would take the purchasing power from those whose incomes are high through the means of income tax reform and the introduction of a capital gains tax. The government said it would redistribute this purchasing power and make it available to those at the lower income level by means of better pension programs, better support schemes, better developed and better funded public and low-cost housing and other such programs of reform introduced by the Minister of Finance (Mr. Turner).

The other measure passed by the previous parliament, and just now being implemented, is the establishment of national marketing boards for a number of commodities. One which is now being put into practice is a national marketing board for the marketing of eggs. The purpose is to avoid the up and down cycles in respect of the price of eggs, to introduce some rationality into the production in that industry and in the end to protect the consumer from fluctuations in the prices of some of these basic commodities. I am looking forward to seeing what this committee will be able to establish, and what advice it will give to the government to resolve this very tough question as to whether, in a free society like ours prices can be controlled, an element can be introduced to slow down inflation when some of these elements are far beyond our control because they are part of an inflationary move-