

Price Control

Mr. Nelson: Well, Mr. Speaker, I did write to the provinces. I wrote to every premier in this country. My letters might reach the desk of an assistant down the hall. I do not think the Prime Minister should have told me to write to the provinces. I think he should have written. If this government had any kind of guts, it would be writing, it would be conferring and it would be taking the lead in making it clear that corporations engage in this sort of outright banditry at the risk of losing their right to do business in this country. If they cannot do anything else, they can at least try to stamp out deliberate dishonesty in business. I wish every Canadian consumer would write to the Prime Minister and tell him so.

No wonder the people of this country feel a sense of helplessness and frustration. Frustration because they know that, despite the fact that there is a worldwide inflation problem, that there is in many cases a shortage of supply and there is a rapidly growing world population, in their heart of hearts in a country with our natural resources much of the inflationary spiral in the cost of living is avoidable.

The Secretary of State for External Affairs (Mr. Sharp) made a fine speech in which he dwelt on wage and price control—I cannot call it “policy”—statements of the Tory party. They have so many euphemisms for wage and price controls that I cannot keep track of them. But he rejected them in any case, turned to the idea of selective price controls and pointed out that these would not work, and rejected them. That, in effect, is an admission that the government feels it must follow a policy of *laissez-faire* in the marketplace.

The people feel helpless because they know that neither this Liberal government nor any Conservative government is going to place any kind of restraint on business profits even if they make profits 1,000 per cent over last year's. Look at Falconbridge whose profits showed a 760 per cent increase over last year. Profit is holy, profit is good and there appears to be no point at which it becomes immoral to cause suffering and hardship through excessive profits. That, of course, is why they will not entertain the idea of an excess profits tax, because to them there is no such thing as an excess profit. The question was asked in the House today, what constitutes an excess profit? No one can say. Is it 7½ per cent? Is it 10½ per cent? There is such a thing as fair dealing in business, and a fair profit might vary from one segment of industry to another. But there must be a point, surely, at which it becomes immoral to reap the kind of profits that have been published in the newspapers almost every day over the past year.

The government knows that the Food Prices Review Board could be given powers beyond mere investigation. They could impose selective price controls, they could roll back unjustifiably high prices, they could adopt the terms of our motion standing in the name of the hon. member for Toronto-Lakeshore (Mr. Grier), namely:

● (1630)

That this House calls on the government to consider the immediate introduction of legislation designed to control selectively the prices of essential commodities and to give either to the government or to a prices review board the power to roll back unjustifiable price increases.

[Mr. Reynolds.]

The facts are there for all to see. The consumer is getting fleeced right and left, and the government refuses to take action. The evidence is published daily. Dominion Stores, B.C. Packers, Loeb's, Weston's—all are reaping profits as never before. Dominion Stores increased profits by 92.6 per cent over the same period in 1972. Silverwood Industries chalked up a 107 per cent increase in 1973 over the same period in 1972. B.C. Packers, for 24 weeks ending June 17, 1973, chalked up a 125 per cent increase over the same period in 1972. Why go on? The list is endless. It seems that in our society it is morally justifiable for one to charge all that the traffic will bear and for companies to publish triumphant statements of ever bigger gains at the expense of the Canadian public.

Well, not every company publishes such figures. One of the largest octopuses on this continent does not publish profit figures. That one, of course, is the Kraft company whose tentacles stretch out into every food outlet in the country, even to the serving trays of our national airline which seems to have some sort of understanding with the crafty Kraft company. I do not buy Kraft cheese, Mr. Speaker. No, I will correct that: I do not buy cheese with the Kraft label on it, although I have no way of knowing whether the cheese I buy is marketed by Kraft under another label. I do know that I have gone into many stores which sell no cheese but Kraft. Why is that company not being investigated?

The increase in average hourly earnings for 139,600 wage earners employed in the food and beverage industry from March, 1972, to March, 1973, was 7.8 per cent, while the cost of living went up by 13 per cent. Over-all, wage increases in the last half of 1973 were down by almost 1 per cent. Even the Prime Minister admitted that. I wish people would stop talking about wage controls. Mr. Speaker, I know of very few working people who do not have to bargain, conciliate or arbitrate for every nickel they earn. If that is not a form of wage control, what is? Wages are effectively controlled in our society.

How is the farmer making out? According to the research director of the Ontario Federation of Labour, a Saskatchewan farmer receives 3 cents for the wheat contained in a loaf of bread which is selling for 37 cents. A market gardener in Bradford got 3 cents a pound for carrots requiring hardly any processing and selling for 13 cents a pound. So it goes. Somebody is making money at the intervening level, but nobody can find out who it is. Certainly Mrs. Plumptre cannot find out. If anyone suggests that the packagers, advertisers, food chains, processors or any of the middlemen are making excessive profits, the defences go up immediately, as they did when these groups were called before the trends in food prices committee.

One of our researchers pointed out:

The conglomerate nature of the corporations and the fact that they present their yearly earnings in a consolidated statement makes it extremely difficult to get at the actual profit figures solely attributable to the sale of foods. The conglomerate nature of these corporations also enables them to easily hide profits from food retailing and in the case of price freezes to take their profits from another source within the corporate structure.

Whom can the hard-pressed consumer turn to? Not to the government, evidently, because it seems content to turn a blind eye to the problem instead of taking forceful