

Cost of Living

then surely the hon. member for Winnipeg North Centre at least deserves to be prime minister.

Mr. Horner (Crowfoot): One thing I have not noticed in the hon. member for Winnipeg North Centre is his desire to be prime minister. Certainly, he desires to be House leader, head of treasury board and to hold a number of other official positions, which he occupies rather well from his present seat in the House. So the marriage is accepted. The two parties have joined together in this debate to attack the Conservative party position, which as I have said is not an absolute answer. Inflation is very difficult to cure, particularly when a country is gripped by fear as this country is today. We have a psychological belief that inflation is here to stay and will continue.

If you talk to any housebuilder, farmer, person who lends money or worker, they will say they have to have more money because inflation is here to stay and prices will continue to go up and up. I suppose to some extent the Minister of Finance (Mr. Turner) deliberately printed money and caused a great increase in the money supply because he wanted the country to have a feeling of ebullience so that people would be happy and contented. He wanted good times for the people in preparation for an election so perhaps his party would be returned with a bigger majority than ever.

However, this ebullience has got out of hand and has led to a psychological fear about inflation. The Conservatives have put forward a policy, and it is being attacked because it is right. The hon. member for Vegreville (Mr. Mazankowski) has dealt with agriculture and with the philosophy of the Liberals over the past few years, which was completely wrong. He has quoted from the task force report on agriculture and quoted the most important part of the report spelling out the agricultural policy. This report has been commonly referred to as the bible of the Liberal party.

Prior to the last election the former minister of agriculture, when campaigning in Peace River, shuddered and shook and said that the one great mistake he had made as minister of agriculture was that he did not see the folly of the task force report on agriculture and did not condemn it but accepted it. He said that was his biggest mistake, but he was too late. The Minister of Finance has suddenly realized that the Conservative party has some good policies and those he has accepted. But I fear he will recognize the remaining ones too late.

What does the task force report on agriculture say? The recommendations commence at page 431, and on the next page appears the following:

The main principles of our recommendations, spelled out in detail in later chapters, are as follows:

1. The surpluses must be controlled and reduced to manageable proportions by reducing production drastically, if necessary.

We know what the minister in charge of the Wheat Board did. He dumped barley on the market at 48 or 50 cents a bushel and sold it to Japan and to everybody else. He got it out of the country at a low, giveaway price and then tried to boast during the last election campaign that he had moved all that grain and should be re-elected. He then came back to Ottawa and wondered why more prairie members of the Liberal party were not returned. Anyone

[Mr. Saltsman.]

can give away wheat, but he had become obsessed with this idea in the Liberal bible that we must control and reduce surpluses by reducing production.

The fourth recommendation is this:

Younger non-viable farmers should be moved out of farming through temporary programs of welfare, education and provision of jobs in other sectors of the economy. Older farmers should be given assistance to ensure that they have at least a "livable" standard of living.

That was the design, and now they wonder why there is a scarcity of food and why we have inflation. As many people have said, inflation comes about from too much money chasing too few goods. One other reason inflation comes about—and the government has done a great job promoting it—is that we get less work done for the same amount of money. In other words, they have destroyed the work ethic in society today. Can you find a better example of the destruction of the work ethic than the sentence I have just read, that:

● (Midnight)

Younger non-viable farmers should be moved out of farming through temporary programs of welfare, education and provision of jobs in other sectors of the economy.

In other words: We will give them money. We won't encourage them to do anything useful or productive. We will sit them on pedestals somewhere, and somehow or another we will eventually try to work them into society.

I suggest that excessive waste will always contribute to inflation. One has only to look at the expenditures of this government for 1967-68 when budgetary estimates were \$9.9 billion. Some five years later this had doubled to \$18.3 billion, and the true expenditures for that year amounted to \$19.2 billion. Certainly one can see a too rapid growth in federal government expenditure. We have too many bureaucrats and this increases the costs of production. This is the expenditure of only one government, and we have ten others in this country all of which contribute to the overhead which in turn contributes to the increased cost of goods and production. This government wonders why we have inflation today. I suggest the government is the designer of today's inflation.

On July 19 the minister announced government assistance in respect of the price of bread. He admitted that bread would go up in price, but somehow or another he did not think it would go up as much as it did. He should have known that a 15 per cent increase in the price of wheat would cause the price of a loaf of bread to be increased by at least one cent. Since that time wheat has gone up approximately 77 cents a bushel and we have seen a six-cent per loaf increase in the price of bread to the consumer. The Minister of Agriculture can go on television and suggest there are rip-offs and gouges in our society; it is very easy to say that but very hard to substantiate it.

The NDP are always advocating some kind of control on production. That has been their theme for years. They suggest the Conservatives want wage and price controls but never mention profit controls. It is pretty difficult to have profit controls, because in order to have them you must have volume controls. I suppose they would like volume controls as well, because they too would limit