

freezes proposed in 1974 by the Conservative Party. Those people who equate guidelines with price and wage freezes are suffering from self-induced hallucinations because one has no relationship to the other, either by blood line or by name.

Although personally I believe in a free market operating on the supply and demand principle, I would like to agree with the Prime Minister (Mr. Trudeau) and the Minister of National Revenue (Mr. Cullen) that, faced with the prospect of either self-generating inflation or guidelines, guidelines are the lesser of two evils. There is no perfect system and it is recognized by all on our side that guidelines are a rough form of justice, but justice, rough or not, is preferable to economic anarchy. Imperfect though these guidelines are, so is this House and so are the members of whom this House is composed, but surely no one would suggest that the House should be abolished because of its imperfections, nor should Bill C-73 be abolished.

Initially in my opening remarks I stated that I would propose two concrete suggestions to assist in the chances of survival of Bill C-73 in the months to come in order that it may be implemented to benefit all Canadians. The first proposal deals with the obvious bureaucratic nightmare of policing retail prices in the market place.

● (2050)

As a member of parliament I sought a method of assisting the Anti-Inflation Board in my area. If I may I should like to read a release circulated to my riding of Comox-Alberni, dated October 20, 1975, which is as follows:

The guidelines set down in parliament regarding price control are very specific. Prices may not increase unless there is a corresponding increase to the producer or manufacturers' cost. Fishermen and farmers are exempt. In other words, unless the cost of production increases there can be no increase to the consumer. There is, however, one fly in the ointment and that is monitoring the literally millions of products available to the Canadian consumer. For this reason I am proposing the setting up of a constituency review board composed of volunteers who will be unpaid and who will monitor prices in the Comox-Alberni federal riding. Since I have already established two constituency offices the headquarters will be in these offices located at Port Alberni and Campbell River. I would ask all interested parties who would like to participate on a constituency review board to contact either office and leave your name, address and telephone number—

The purpose of the constituency review board will be to monitor retail prices in all sectors of the retail economy in order to ensure that price guidelines are being followed. I envisage that price lists will be scrutinized by the constituency review board and their findings passed on through my office to the appropriate minister and anti-inflation board. Also if it is deemed appropriate findings will be made available to the public through the media. In this way both the general public and the anti-inflation board will be kept up to date on the price changes in the Comox-Alberni federal riding.

The first proposal deals with the obvious. If I may, I should like to list the advantages of such a system.

First, there would be a reduction in the amount of government moneys needed to monitor retail prices in the Comox-Alberni riding.

Second, outlets will become aware of a price monitoring review and this will create a further restraint.

Third, price lists will be public knowledge, thus keeping the consumer informed of price changes.

Fourth, by being plugged into the constituency price review board I will be able to alert the anti-inflation board of abrupt increases.

Anti-Inflation Act

Fifth, through community participation the individual fight against inflation will become meaningful and not merely a slogan to be abandoned in the political trash can.

I would request that all members of the House consider this proposal and how it can be implemented in his or her own constituency so that they may contribute personally to the fight against inflation at no cost to the public. The public deserves leadership not only from the government but from each individual member of parliament. Let us provide that leadership in the war against inflation. If we do so, I believe the people of Canada will not begrudge us the recent increase in pay but will realize that their hard-earned money is being well spent. I trust that members on the other side who have commented on this will take a closer look at it, because this is the way they can play a meaningful role in the fight against inflation rather than merely discussing it in the House, which will not help the fight at all.

I would also propose to the House that in the area of housing all mortgage interest in excess of 6 per cent be classified as an income tax exemption for an amount not in excess of \$1,800 a year, the mortgage maximum to be computed on mortgages up to but not exceeding \$30,000. For those renting accommodation, whether it be an apartment or a house, I would recommend a maximum exemption of \$900 if married, and \$450 per year if single.

The benefits would be twofold. First, new housing starts would be encouraged, and the plan would make housing a reality not only for those with high incomes but for those who only dream of a house with no chance of turning their dream into reality. Secondly, it would free funds for those already carrying a mortgage. These funds could be put into an economy that is going through recession pangs, as are all countries in the world today.

Housing must have a new infusion of imaginative proposals. Tax exemptions do not spend public funds—exemptions cause governments to rely on less public funds because taxation revenue is decreased. With the annual revenue reduced by \$1 billion the government would have to adjust its budget. This can be done by this government—this has been done by this government. I submit these two proposals to the House tonight, Mr. Speaker, and hope that they will find favour on all sides.

Mr. Joe Clark (Rocky Mountain): Mr. Speaker, the remarks of the hon. member who just returned to his seat make me think that with the ascension of the hon. member for Rosedale (Mr. Macdonald) to the portfolio of finance, anyone thinks he can give a budget speech and introduce a budget policy here. I assume that is the significance of the address to the electors of Comox-Alberni that we have just heard.

In my view, Mr. Speaker, there are two immediate features about the legislation presented for debate today, both of which are alarming and familiar. The first feature is that this legislation, like so much that has come from the government, reflects a cynicism and an attempt to fool Canadians about the seriousness of the response of the government to major and disquieting economic problems. The second feature is that there is here, as there has been in so much of the legislation introduced by members of the government, a determination to gather excessive power to