

Anti-Inflation Act

Now in October 1975, that is five years later, inflation is worse than ever which means that the Prime Minister was entirely mistaken and time will also show that he was entirely mistaken when he announced the steps giving rise to Bill C-73.

In 1974, the price of bread increased by 26 per cent, the price of sugar by 126 per cent, that of apples by 32.6 per cent, that of margarine by 26.9 per cent, that of flour by 35.7 per cent and that of potatoes by 23.1 per cent and those are only a few essential foodstuffs.

In all other production areas, Mr. Speaker, the conditions were the same. The same Prime Minister today who does not seem to remember what he said in 1970 or who believes that everyone has forgotten has announced extraordinary measures to control inflation.

These alleged anti-inflation measures announced by the Prime Minister are nothing more than window dressing and in 18 months from now the government will introduce new measures according to the Prime Minister's wishes as well as the wishes of every good socialist, setting up in Canada a socialist state in the manner of Mao, in which all individual economic activity, be it from producers or consumers, will be subject to the direct control of a giant bureaucracy that is being already structured and will be built.

Moreover, this so-called anti-inflation board will establish itself in all areas and its tentacles will spread everywhere. These first measures, Mr. Speaker, will not solve anything. They are nothing but window dressing. When a house is not level on its foundations, it is useless to try to disguise shoddy construction by attempting to repair the roof. The bases of our economic system are not well balanced. It is the root cause of inflation in the "roof of prices". The Prime Minister wants to attack the consequences of inflation without tackling the causes; he has steered the wrong course ever since he came to power and he will continue to do so. However, I must concede something to the Prime Minister. He is in perfect agreement with the views and principles he held before he was Prime Minister, at the time he was writing in *Cité libre*. We could refer to numerous passages where, after his many travels around the world, he expresses his admiration for existing socialist and communist dictatorships.

He would like to introduce the same system in Canada. That is why it was easier for him to find his way into the Liberal party than to defeat the Liberal party by remaining in the New Democratic Party of which he was a partisan. He applied the old principle: If you can't beat them, join them. That is what he did.

Inflation suits him. Without it, things would not have reached their present state which forces him to enact measures that are window dressing at the start but within the next three years other measures will follow that will lead Canada to essentially socialist structures.

When the Prime Minister established an objective of a 10 per cent maximum annual price increase, he confirmed this. First of all, he can do nothing to stop inflation. Then, inflation will jump by at least 10 per cent a year and, finally, he will fail to come up with concrete proposals to reduce production costs.

[M. Rondeau.]

● (1610)

The December 14, 1974 issue of the Quebec City daily *Le Soleil* featured an article by Mr. Jean-Paul Gagné entitled: "The catastrophic consequences of inflation" which reads:

In order for you to better appreciate the scope of the phenomenon, here is a small table which indicates the future costs of various commodities, based on the assumption that the rate of inflation will go up by 10 per cent annually through 1980, 1985 and until 2,000.

The bus ticket which cost 40 cents in 1974 now sells for 50 cents in Montreal in 1975; assuming a continued inflation rate of 10 per cent annually from 1975 through 1985, and 1995, this bus ticket will cost \$1.15 in 1985 and \$2.95 in 1995. The same ticket which cost 40 cents in 1974 will set you back \$4.70 in the year 2,000. A package of cigarettes which cost 80 cents in 1974 will go for \$2.30 in 1985, \$6.00 in 1995 and \$9.65 in the year 2,000. The movie ticket which cost \$2.50 in 1974 will sell for \$7.15 in 1985, \$18.50 in 1995 and \$29.85 in the year 2,000. With the same inflation rate of 10 per cent annually, the dress which cost \$35 in 1974 will be yours for \$99.85 in 1985, \$259.05 in 1995, and \$417.20 in the year 2,000. A food basket which cost \$50.00 in 1974 will be worth \$142 in 1985, \$370 in 1995, and \$595.95 in the year 2,000. A man's suit which sold for \$125 in 1974 will cost \$356.65 in 1985, \$925 in 1995 and \$1,490 in the year 2,000. A car valued at \$4,500 in 1974 will cost \$12,839 in 1985, \$33,301 in 1995 and \$53,631 in the year 2,000. A house advertised for \$30,000 in 1974, taking into account the government's proposals and a 10 per cent increase every year, will cost \$85,593 in 1985, not including the interest costs, \$222,007 in 1995 and finally \$357,000 in the year 2,000.

Mr. Speaker, with such a stupid, upside down and ridiculous economy, an \$8,000 annual salary will have, to maintain the so-called constant dollar value confronting this sickness, the cancer of inflation, an \$8,000 annual salary in 1974 dollars will have to reach \$22,825 in 1985, \$59,202 in 1995 and \$95,345 in the year 2,000. Anyone who got \$12,000 in salary for 1974 will command \$34,237 in 1985, \$88,803 in 1995 and \$143,018 in the year 2,000.

Those figures, Mr. Speaker, show where we are heading to with a maximum inflationary growing rate of 10 per cent a year as was proposed by the Prime Minister when he announced his so-called anti-inflationary new policy. Mr. Speaker, Bill C-73 now before us will lead the country directly to economic disaster, destruction of free enterprise, scarcity of goods and to a bureaucratic state where workers will serve the state.

Mr. Speaker, I will now quote an excerpt from *Inflation et Société*, 1960, by professor Graham Hutton:

In England, socialist economists publicly proposed that inflation is an economic means to expropriate owners... Socialist thinkers have such an aversion against private property and personal savings that, in the late 50's, some of them advocated expropriation by deliberately provoking inflation, after falsely reassuring savers and investors by intermittent periods of stable prices.

May I quote an excerpt from an economist, professor Graham Hutton, in the publication *Inflation et Société*, 1960:

Inflation is an indirect attack against justice and the rights of people. Because it deprives individuals of the value of their savings, it is immoral... inflation is burglary. When those who call themselves economists...