

Anti-Inflation Act

succeed the commission another invertebrate monster the Food Prices Review Board. Another toothless effort, another adventure for gobbling up public moneys and creating jobs for friends. The board once again, even more so than the commission, revelled in words while inflation continued to ravage the country. And, during those years, Mr. Speaker, going from commission to board, and from board to statements which were meant to be reassuring, the government danced its favorite waltz, that of indecision. Now it would allow unemployment to grow in the hopeless hope of containing inflation, now allow inflation to rise again in the hopeless hope of containing unemployment. Either way it did not settle the matter, and this is a failure for most Canadian people, Mr. Speaker. Inflation has now reached its highest point since the Korean war and it goes on increasing at a tremendous rate while there are one million unemployed in our country and while the situation could become still worse.

At the outset of the election campaign in 1974, our party submitted to the Canadian voters a daring yet sincere and realistic project to reduce inflation. We advocated a freeze on prices and incomes during a 90-day period to give us time to consult the provincial governments, financial circles, business leaders, unions and consumers on the objectives which might be set and which could be adjusted periodically. Government members, led by the Prime Minister, found nothing better than ridiculing our plan in the face of the nation. Do not trust the Conservatives, they said, they are going to freeze everything, from food prices to the wages of newspaper carriers.

They worked so hard at it that inflation was given a free hand to increase more than ever. Yet, the government knew at that time that we were right, that no matter how it went about it, willingly or otherwise it would have to resort to price and income controls. I repeat that the government knew it would have to apply this formula and that is why I repeat before the House that this government did lie on that issue. It would like us now to keep silent, not to say a word about it. I suggest that Canadians need to know exactly why this government condemned measures which it applied eight months later; it was nothing but a vote-catching manoeuvre. Besides, it was so obvious that our former party leader in a speech delivered in Magog towards the end of the election campaign, did not hesitate to declare and I quote:

If the present government is voted back in power, inflation will go on increasing.

He was not wrong either.

And then in two months, four months or six months inflation will reach such a level that the government will have no other alternatives and will impose control on prices and incomes.

Our leader made the following statement before the 1974 election:

But the difference between doing it now and doing it eventually is that, if we wait, it might be too late to stop the damages and we will then find ourselves in an economic depression.

Pronounced three years ago, these words of the ex-leader of my party have turned out to be tragically prophetic. Therefore, this government has been misleading the Canadian people on

[Mr. La Salle.]

the matter of inflation for seven years now. We talked about unemployment, we could talk about its just society and its objective of national unity. This government has been constantly cheating the country on the matter of its basic goals and it is going on playing the same game, hiding itself behind the curtain of national unity. It has come to the point where national unity or national harmony is unattainable without first restoring an acceptable economic climate and this is true for all provinces. But above all the Prime Minister and the members of his cabinet have behaved in this shameful and dishonest manner during the 1974 election campaign, because they knew very well, while they were condemning the controls from the electoral platforms, that they were bound to impose them a few months later.

I remember hearing this cynical sentence from the Prime Minister when, during the same campaign, he had to face reporters with the last statistics on the cost of living which was dramatically increasing. He would only say: "Let us take things coolly." But cool or not, he had to impose controls eight months later. We have been living with them for twenty months now. They did not work very well. And this is why we are asking the government to put an end to these controls. They were not a success for many reasons and one of the main ones is that they were imposed without previously consulting the different sectors of our economy. Jean-Luc Pepin, chairman of the board, has admitted in committee that this 90-day freeze period would have been very useful to set out the means to control inflation.

The Chairman of the board recognized it: he resigned, as a matter of fact. He and the Prime Minister (Mr. Trudeau) know the real reason for his departure. We advocate—

An hon. Member: What reason?

Mr. La Salle: The Prime Minister and Mr. Pepin know it, but I do not.

An hon. Member: Do not talk of things you know nothing about.

Mr. La Salle: Neither do you, for you hardly know anything about the Prime Minister. We were advocating a 90-day freeze so as to proceed with a consultation which would have allowed us to reach some consensus about the goals to pursue and the means to reach them. The government chose to dictate in its traditional believe-or-die approach. This total lack of consultation made the various sectors of the economy uncomfortable, with no confidence towards controls and government economic policies, especially since the establishment of controls, the federal government did practically nothing to reduce the inflationary spiral; not only did it fail to restrict its own expenditures since then, in spite of its pious wishes, but it even found a way to increase them by over 20 per cent and it is a government which was supposed to provide leadership, so that due to the lack of economic confidence, investments are decreasing, small and medium-sized businesses are incurring deficits as a result of an inflation and in some cases must close their doors, unemployment is increasing—