

*The Address—Mr. Cafik*

provision in these social measures, but no one was willing to do so. However, they did try to make the charge that the government was fanning the fire of inflation when in fact they were voting for the very things they were trying to say were so bad.

One other point I should like to make is that the previous speaker, the hon. member for Athabasca (Mr. Yewchuk), was talking about the rate of inflation, real income and so on. I would be quite happy to speak to him privately later because clearly there seems to be some confusion concerning the real facts. I have no vested interest, political or otherwise, in trying to portray the facts in any particular way other than the way I believe them to be on the basis of the information I receive from Statistics Canada.

On January 11, I embarked on a small research project in respect of this question. I based the figures resulting from my calculations on facts and figures presented by Statistics Canada. They differ from those presented by the hon. member for Athabasca. I am not saying the hon. member is wrong, but clearly either he is wrong or I am wrong in respect of the statistics I shall mention. It would be very interesting, and I believe valuable, to find out which figures are correct. The information I obtained at that time indicated that in 1973 the percentage increase in personal income was 13.8 per cent and that the consumer price index increase was 9.1 per cent, which included all items. As a matter of fact if one were to extract the food items, one would find the increase would be more than 13.8 per cent for 1973. However, in respect of the real personal disposable income per person to which the hon. member referred as being 6 per cent, my investigation indicates that in 1973 there was a growth in personal disposable income of 5.1 per cent. These are Statistics Canada figures. That, of course, is small consolation to those who do not find themselves in that statistical group. We must be careful because clearly a statistician is a person who can make figures lie.

Obviously that statistic is of no consolation to some simply because it happens to be based on the broad average and would not be true in each individual case. There are many groups of which members of parliament would be one, who have had their incomes eroded through a loss of purchasing power. There are others who suffer more seriously and they are very much the concern of all of us. I think the fact is that it is not sufficient to simply say the government has not solved the inflation problem. That could be said about any government in the world. If one looks at the international rates of inflation in 1973, one will find that our rate of 9.1 per cent compares with the rate in Japan of 11.8 per cent, the rate for Australia of 10.5 per cent, the rate for Italy of 11.6 per cent and the United States with a lower figure of 6.2 per cent in 1973. The figure for France is 5.7 per cent. For Germany, it is 7.1 per cent. One hardly need say anything about the United Kingdom in view of all the controversies that have existed in that country within the last few weeks and the severe inflation problems it has had. This does not mean that we cannot do anything about it. However, let us look at what we have done about it.

**An hon. Member:** Nothing.

[Mr. Cafik.]

**Mr. Cafik:** If the hon. member thinks that the reduction in the price of bread is nothing, all I can say to him is that he does not know what fighting inflation is all about. If the hon. member for Athabasca says that escalating the old age security pension, the guaranteed income supplement, the family allowances, the veterans allowances and the public service pensions is not an attempt to fight inflation, all I can say to him is that this is the kind of nothing we are very proud of.

**Mr. Yewchuk:** Mr. Speaker, may I ask the hon. gentleman a question. If the government has done so much to reduce inflation, can he explain why it went up from 5.1 per cent a year ago to 9.1 per cent.

● (1700)

**Mr. Cafik:** I am sorry; I did not have my earpiece on.

**Mr. Yewchuk:** I will repeat my question. If the government has done so much to lower the rate of inflation, can the hon. member explain why it has risen from 5.1 per cent a year ago to 9.1 per cent today?

**Mr. Cafik:** I am talking about steps the government has taken in specific areas to keep down the cost of living. There is no question about this in terms of bread prices; neither is there any doubt about it in terms of milk prices. So far as oil prices are concerned, if the Conservatives had been in power and had allowed the kind of rip-off we have seen by the private sector to increase the price of oil to Canadians, we would be looking at a price which was not too far from 75 cents to \$1 a gallon right across Canada.

**Mr. Baker:** We are being ripped off in oil by your government as well as in everything else.

**Mr. Cafik:** If hon. members would like to ask questions, I would be prepared to entertain them at the conclusion of my remarks. I am not trying to be partisan; I am simply trying to give hon. members the facts as they really are. It is quite fair for any member to say that the government has not done enough. It is quite fair and reasonable for someone to ask why we didn't do this or didn't do that. But to say that this government has done nothing to offset the effects of inflation is just unadulterated political nonsense. To say we have not done anything to hold down prices in certain specific areas in this country, whereas the fact is that we have taken action to hold down prices, is equally unadulterated political rubbish.

In addition to that, Mr. Speaker, aside from the anti-inflation steps I have already indicated, we have adopted a proposal which I think even hon. members opposite would believe to be significant. We have indexed tax exemptions for children, etc., to meet the rise in the cost of living. Since that step has been taken, some 175,000 people have been removed from the tax rolls and the amount of tax paid has been reduced by 6.6 per cent. Certainly that action has done something to offset the consequences of inflation.

The government has also taken steps in a number of other areas which I think are equally well known and to which I alluded earlier. First of all, we have almost tripled family allowances. I think it was high time this was done and it was a step in the right social direction. Certainly it