

Cost of Living

sumer by gouging them unjustifiably in the marketplace, by squeezing out of them everything the traffic will bear at the present time?

It is possible to control profits, to control prices and therefore to roll back the burden on the ordinary Canadian consumer. That is why the statement by the government that it will, maybe, in the future do something about giving itself power with regard to the Prices Review Board is not good enough. That kind of legislation should come before parliament very shortly. There is no excuse for inaction in the areas which can benefit all Canadians.

● (1720)

[Translation]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the Prime Minister (Mr. Trudeau) kept his promises and his word. Last October in Shawinigan Falls he stated that he was about to distribute goodies to the people of Canada. Indeed, the goodies has just been handed out this afternoon.

Mr. Speaker, the reason why we were called here was to settle the rail strike. And that settlement, I think, constitutes the pretext for the next strike that will be called in two years or 28 months. It did not settle anything, nor will it. It will result in freight rate increases, passenger fare increases and new price increases across Canada at the very time when the Prime Minister announces that the government is quite willing to help the Canadian consumers and producers, to promote employment, to retrain workers.

Mr. Speaker, the Prime Minister talked for half an hour but he failed to come to grips with the root of the problem—the reason why we are faced with the present situation—the financial system and its disadvantages. Nobody wants to talk about the debt money system which calls for prohibitive interest rates.

Interests are up to 12 per cent or 12½ per cent on housing loans. For example, this morning the Provincial Bank of Canada was asking a borrower 12½ per cent on a 25 or 30 year home building loan. In 30 years that house will have cost him \$45,200, while it only costs \$20,000. The Prime Minister did not talk about that. That house will more than double in price but nobody talks about that. Nobody says that interest rates have doubled in the last 10 years. As soon as we talk about the monetary question, we immediately hear crybabies say: Ha! ha! Let us rather pick on our people, let us tax the haves in order to give to the have-nots.

Mr. Speaker, we accept the 5 cents cut on the price of a quart of milk; we accept a more reasonable price for bread, but what makes me laugh, is when this is called consumer subsidies.

My colleagues and I from the Social Credit have been proposing consumer subsidies for exactly 30 years. The government begins to realize it. The opposition begins to realize it and even the New Democratic Party begins to believe that we must look to the consumers for their protection.

Mr. Speaker, we also approve of the increase of pensions and allowances. We approve of the good intentions of the government, but we believe that we must at the same time

[Mr. Lewis.]

increase old age security pensions and family allowances. We believe that welfare recipients should also see their incomes adjusted so that their buying power will increase.

Mr. Speaker, the Creditists have been laughed at in the past, but listen today to those who offer solutions. I heard the Leader of the Official Opposition (Mr. Stanfield) say earlier that everything the government does is bad but, if he were there he would not do better.

However, he blames the government for not freezing incomes and prices. This has been tried, it is in fact still being tried in the United States, but it has been a complete flop. It produced the black market and discouraged producers to such an extent that they reduced their production and the problem is now worse than ever. That is what the Progressive Conservative would like to impose in Canada. Mr. Speaker, that is not the solution.

As for the New Democratic Party, it used to be in favour of price controls, but not wage controls. This could not balance out. Today, the New Democrats believe that we must not impose price and wage controls. However, knocking down big corporations, seems to be their solution to inflation.

Mr. Speaker, it is true that the profits of Chrysler Corporation Limited, Ford Motors Canada Limited and Noranda Mines Limited have increased. That is a fact. However, the leader of the New Democratic Party (Mr. Lewis) must know that the president of Noranda Mines Limited does not pile up profits in his bedroom. He must know, for example, that Noranda Mines Limited is spending this year \$32 million to build a new ore processing plant. All profit-making companies—

● (1720)

[English]

An hon. Member: What about Ford profits?

Mr. Caouette (Témiscamingue): You can take any one company. They are not piling up their money in their bedrooms. They are spending money to expand the economy of Canada, but hon. members opposite do not understand that.

[Translation]

Mr. Speaker, it is wrong to attack those who create employment because they make profits, those who develop the Canadian economy. The leader of the New Democratic Party does not want any control, but he would like to nationalize. It is another form of control: to nationalize so that the government could poke its nose into everything, exactly as in Cuba or in other socialist countries where free enterprise no longer exists and where the government has the last word.

Mr. Speaker, those are not proper solutions and this government is a little late in taking action. Some time ago, western producers were paid not to grow wheat; Quebec and Ontario dairy farmers were penalized because they were exceeding their quotas. Production quotas were set and today we fear a shortage of products. Mr. Speaker, the government is responsible for that. Had production been encouraged when it was time, we could have withstood better the competition in world markets and would not