

ANTI-INFLATION BOARD

Now it's patriotic to starve

by Paul Burgwin

Filled your tank lately? Ever think that a five dollar bill is just enough to pay for a case of beer? Worried about where you're going to get the money to pay the next power bill — if the Power Corporation hasn't already cut the electricity off? Wait till you have to pay 25% more for your 1977 license plates.

Now, hold it. Before you start complaining that prices are going up all the time, just remember that the Chairman of the Anti-Inflation Board, Jean-Luc Pepin, has declared "a victory in the war against inflation." But on the other hand, it could be his own battle against inflation he's talking about; after all, his salary is a cool \$60,000 a year. Or it could be that he's speaking on behalf of Westinghouse Corporation, where he sits on the Board of Directors. They won their battle long ago — their profits from 1971 to 1975 rose 513%.

What about our battle against inflation? Says Pepin, working people "are actually better off with controls." That's hard to swallow for the working men and women whose yearly wage increases have dropped from 17% to 10% due to A.I.B. rollbacks. Or for the 890,000 unemployed workers across Canada.

At the same time as wages are falling, prices keep rising. Look at housing. Prior to controls housing costs increased at a rate of 9.2%. Now they are going up at a rate of 11.2%. And food prices are also increasing. If you live in Halifax it costs 18% more to put food on the table than it did before controls.

So if the A.I.B. is a fraud, if it's keeping down wages while letting prices rise, then why is it in existence at all?

To answer this question we have to go back to the period before the controls were introduced. The single statistic which best explains why Pierre Trudeau became a convert to "wage and price" controls is the 9.3% drop in corporate profits in the second half of 1975.

The inflationary trend in Canada really caught fire about three years before wage and price controls were announced. During these three years, food prices rose by 20%. Corporate profits were up from 8.6 billion to 18.3 billion, a rise of about 111%.

During the same period wages rose only about 25%, making a lie out of the old business theory that it's wages which cause inflation. Then, towards the end of 1975, the trend reversed itself. Feeling the pressure of rising prices organized workers began to fight for, and won, half-way decent wage increases. This caused the 9.3% drop in corporate profits, costing the corporate establishment some 4 billion dollars.

And big business had more of the same to look forward to. From mid-October, 1975 to the end of the year some 500,000 workers were due to sign new contracts. In 1976 another million more would be represented at the bargaining table, many of whom had been locked into two or three year contracts and were looking for hefty increases to make up for lost ground.

Pierre Trudeau knew what controls were for — holding down wages at the expense of workers. In 1974, he used the truth about controls as a convenient stick to beat Robert Stanfield. He said, "Robert Stanfield has already said he would not freeze the price of U.S. imports or Arab oil, and he admitted he would exempt housing prices (so has Trudeau). So what's he going to freeze?" Trudeau shouted at the election rally. "Your wages! He's going to freeze your wages!" Trudeau has since stuck to the letter of his 1974 assessment of controls. Under his legislation, the items which cause 75% of price increases were left uncontrolled.

And while the A.I.B. paints a glowing picture of business and labour working shoulder to shoulder in beating inflation, it has helped to create a far different reality. Since mid-August it has recommended price rollbacks for only six companies. Apparently it has been too busy rolling back 1,949 collective agreements affecting 556,901 workers. In the process they took \$175 million out of workers' pockets and placed it in corporate pockets.

In the past year and a half, the anti-inflation legislation has weathered the test of time. It has had its desired effect — profits are again on the rise; they're up by 117%.

The A.I.B. isn't the only weapon governments and businesses have used to make workers pay for depressed profits; it's just the biggest one they are using right now.



Ulusehak, Edmonton (Canada) Journal

Their general attack includes reduced UIC benefits, tax laws favouring the corporations, forced unemployment, and cuts in health care and education.

But the main focus for the attack is the workers' traditional protective organization, the trade union. The first step was to take away the union's right to freely negotiate wage settlements, by imposing rigid controls designed to limit workers to a prearranged increase.

The next stage could be a series of anti-union crusades like the one carried out by the Mid-Island Public Employers Association (MIPEA) in Nanaimo, B.C. There the employers' goal in recent negotiations was to deprive union members of more than 100 already-won benefits, from seniority rights to overtime premiums.

An MIPEA spokesman defended their position by saying that collective bargaining "...doesn't mean improving the living and working conditions of workers." When the union accused the MIPEA of engaging in a reckless

and reactionary programme, the response was, "Reactionary, yes. Reckless, no."

Similar attacks have taken place right across the country. In New Brunswick the provincial Treasury Board is requesting the forfeiture of union shop provisions and a longer waiting period for employees before they receive four weeks vacation. In Quebec, construction workers were forced to strike when the companies tried to limit the role of on-site stewards, and attempted to do away with union-controlled hiring halls. In Campbellton, N.B., 44 municipal workers were fired for participating in the Day of Protest.

Even more of this kind of tactics can be expected in the next year. Because of continuing slow economic growth, businessmen will pull out all the stops as they scramble for higher profits.

Ray Thomas, Vice-president of Polymer International (N.S.) Ltd. put it this way: "The most important subject businessmen should be discussing with political leaders is not disparities but how to improve profits." The President of the Bank of Nova Scotia agrees, saying, "The number one priority in Canada must be the further ratcheting down of the rate of wage and salary advances."

Just at the time when unemployment is higher than it has been in 20 years, right in the middle of the A.I.B. onslaught, the attitude of the corporations can be summed up as — To hell with workers and their families; we want lower wages, higher profits!

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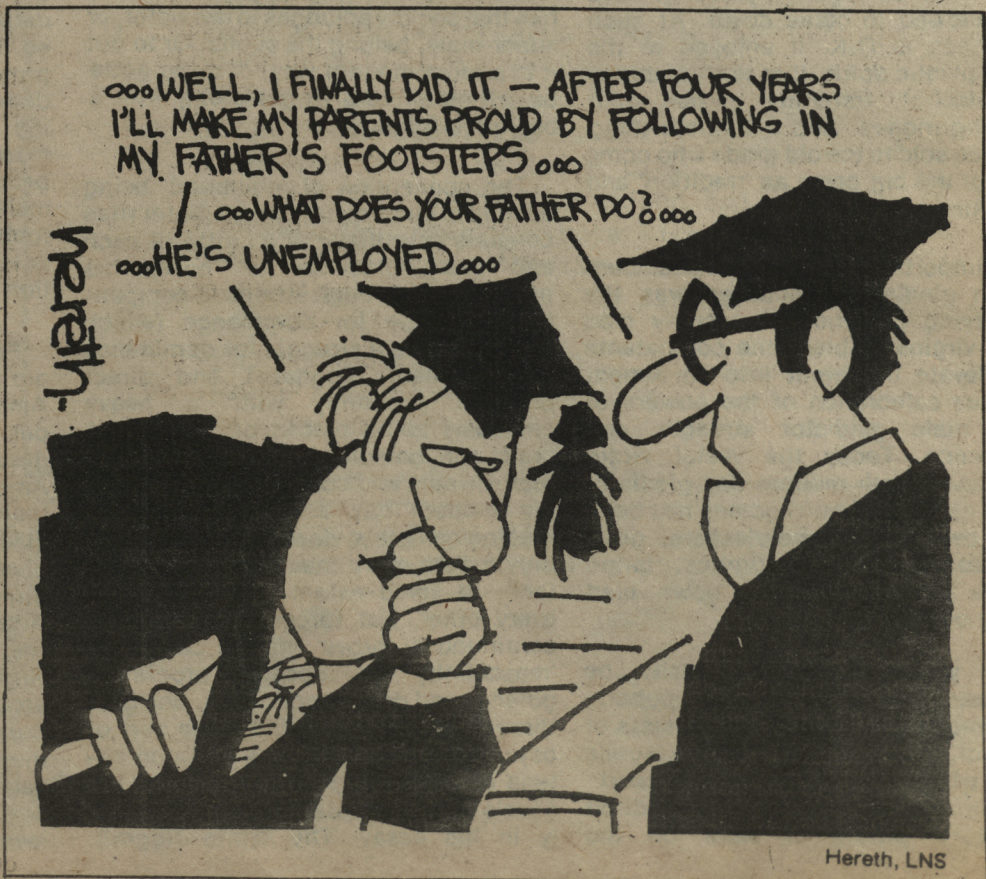
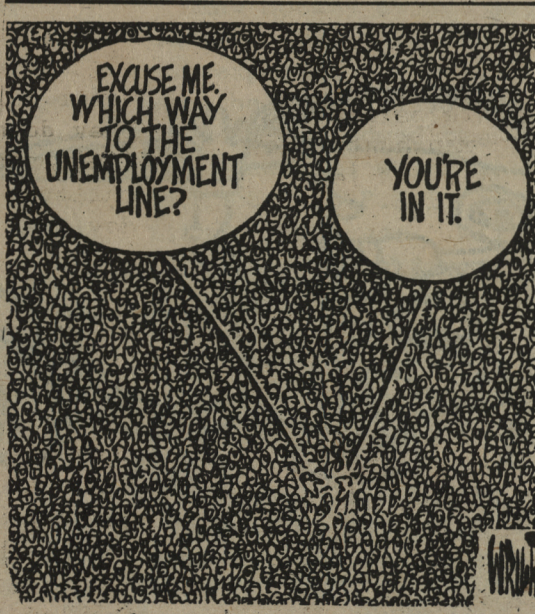
Protecting the rights of women and children is an important area of the Party social policy. Article 122 of the Constitution of the USSR says: "These rights shall be ensured by women being accorded the same rights as men in work, remuneration, rest and leisure, social insurance and education, and by state protection of the interests of mother and child, state aid to mothers of large families and to unmarried mothers, maternity leave with full pay, and by provision of a large number of maternity homes, nurseries and kindergartens." That is Soviet law, and if it is violated the Criminal Code (article 139) makes administrators who dismiss or refuse to employ an expectant mother or a mother of a small child, criminally liable.

The day the mother is dismissed from the maternity hospital she can apply to the children's polyclinic near her home. During the initial period doctors and nurses from the polyclinic call on the mother at her home for regular examinations and to give practical tips on infant care. This, of course, is free.

There are only a few facts about health care and protection of women and children in the USSR, but they are sufficient to indicate the great advances the Soviet Union has made in this area, as well as to reveal the backwardness of Canada's health care, women's and children's rights, etc.

The lower child mortality rate, the longer life span and the fact that it is now safe for women suffering from serious diseases to have children are proof of the high quality of maternity and child care in the USSR.

Parents in the Soviet Union do not have the worries and anxieties we have. In the Soviet Union people come first; in Canada people come second—profits come first.



Hereth, LNS