

again at these expansion programs with a view to going faster because of other sensational developments in their fields. The future is still Canada's. We are the land of opportunity for the foreseeable future in our world, and it is the general consensus that we remain here the freest land in the world.

The attitude taken by the Canadian government on inflation was the right one, in my belief. I realize fully that these views are not shared by most of those in the Opposition, and that the government is presently being pressured to change its views. I hope it does not. To me, it remains a fact that controls on prices and wages, wherever tried, did not work but produced shortages. We know that no one country is really independent in economics and that no country can control its economy alone. The world, it seems, is not yet smart enough to establish a general, workable, anti-inflation policy that would be operative. We may be able, in due course, to do so, but it will take precious time that we are unable to spare in these difficult times.

High wage demands are not the prime cause of inflation. They are a consequence. Inflated prices are caused by inflating the monetary and credit volume far beyond the GNP and the availability of supplies. This should be remembered in our considerations and in our dealings.

According to an OECD report, for the 12 months terminating in July, the rate of inflation of its member countries shows that even though some six member nations had a smaller inflation rate than Canada, 15 other important member nations had an inflation rate ranging from 11.7 per cent to 43.8 per cent compared to Canada's 11.3 per cent. I am not an advocate of inflation, but being realistic we have to admit that there are a great many things worse than the steady inflation we have been having these last few decades. Last year we paid the largest and most generous social welfare contributions in our history. We created, I believe, the greatest building boom in our history. We helped more than ever before the depressed areas. We undertook large environment expenditures. Even so, we still had a remarkable trade balance, and we still ended the year with, I believe, the largest per capita disposable income in our history.

I want to point out an important contribution that Canadians can make by themselves in fighting inflation effectively. The importance of the saving rate as a percentage of the GNP is known to be one of the great stabilizers of a nation's economy; yet, it is not encouraged as it should be in Canada. It is regrettable that at this difficult time Canada has the lowest per capita saving rate as a percentage of the GNP, except possibly the United Kingdom. A marked increase in the Canadian saving rate on the Canadian capital formation rate would help to increase our standard of living, would help create capital for investment, and would help fight inflation in the right way.

Now let me cite to you a labour situation that needs our attention, and which is not dealt with in the Throne Speech. In my province the construction industry is operating under one of the most corrupt and brutal systems in North America. This is now a proven fact. As stated by witnesses before a special royal commission instituted by Quebec, the industry is a jungle where tradition has

allowed construction to set up an exclusive parallel state, having its own customs, its own laws, its own army for enforcement and its goons for violent positive action, permitting the participants to do whatever they want, unmindful of the social, economic and psychological effects, and this is tolerated by both the federal and the provincial governments. It is absolute permissiveness. Almost everywhere there is actual evidence of extortions, kick-backs, violence, vandalism, Shylocking and deliberate work slow-downs. As though this were not enough, together with this we find that nowhere else do we have these seemingly unnecessary elements of inter-union squabbling, which leads to additional rounds of violence and extortion—an international union against a Canadian union. Nowhere else do we find foreign-controlled unions testing in Canada labour policies that they like to try out, using threats of violence to force Canadian workers to join their unions.

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Investigators have found evidence that some employers are being forced to pay off union stewards for "guaranteed productivity," and persons seeking work have been forced to take loans at 35 per cent interest from union representatives, even when they did not need it. There have been instances where persons who wanted to work have been forced by threats to join unions against their will and without having any choice in the matter. This has made them, in a way, slaves—and we are allowing it.

People in industry have become fed up with the goings-on, but they are afraid for their families and for themselves if they talk. Much of this repeats itself in other sectors in Canada. It is not good; it is gross corruption; it is the biggest political scandal of our times, and has been tolerated for too long by the lawmakers.

We have cancerous labour problems in Canada. It is important that we find methods of settling them soon. In 1973, according to Statistics Canada, two million days of work were lost because of strikes, and in the first six months of 1974, 5,200,000 days have been lost because of strikes and lockouts, resulting in a loss to workers of \$200 million to \$400 million. Most of these strikes and lockouts were unnecessary and uncalled for. Little was gained by either the workers or the employers when final settlement was arrived at because there was very little difference between what one party was actually ready to accept and the other party was ready to concede. Nevertheless, the resulting loss of potential in production contributed greatly to the general cost of products. The Canadian public has become disgusted and irritated, as survey polls have shown, and more and more the public, together with the workers and employers, favour a drastic revamping of our labour policies and of our labour legislation in respect to the relationship of parties when discussing their differences in respect to the periodical labour reports that have to be submitted, in respect to the collection, the employment of, the transfer directly or indirectly to foreign union headquarters of any workers' dues, in respect to the authority needed to use these dues for other purposes, in respect to the methods of voting and the quorum requirements at union meetings, in respect to the question of the leaders' salaries and their vote of approval for and their