

*National Economic Development Board*

away and beyond anything which this government has yet given any indication it is prepared to adopt.

What the Minister of Finance forgot to mention was that in that same report of the special mission, it was pointed out that a serious gap exists between the co-operation of management, labour and government in Europe as compared with the co-operation in Canada of labour, management and government. The mission pointed out that there was a serious gap. They noted that the kind of collaboration and the co-operation which prevails in Europe between these three important partners does not exist in Canada.

We know in this country that there is a great lack of trust between labour and management. While this government cannot be held accountable for this distrust in its full context, I say nevertheless that by having refused a long time ago to adopt procedures now recommended by the productivity council's mission, it has established the basis for the continuation of this distrust and the existence of a lack of confidence among these three partners in industry—labour, management and government.

As a matter of fact we know that the Minister of Labour in a speech at Gananoque—I think it was in May 1959 or 1960—had announced that the government was going to call these three groups together for the purpose of establishing a forum which would enable these three partners in Canadian industry to do what was being done in Europe. That was not allowed to be proceeded with. Someone in the government, or some ministers in the government did not agree with the Minister of Labour, and they did not agree with the subsequent position taken in this regard by the Minister of Trade and Commerce a few days later. If that had been done, if what the productivity council's special mission recommended had been done, then it is reasonable to conclude that steps would have been taken to increase production in Canada; to increase exports in Canada; steps would have been taken to mitigate the nature and the causes of our external balance of payments problem. Steps would have been taken, instead of the lethargic, laissez-faire way in which our problems since June, 1957 have been regarded by this government which only now begins to realize that we are living in a period when governments must approach these problems through a different instrumentality, supplementing this kind of arrangement with what we have used in the past.

If this government means, by this proposal, that at long last it is prepared to recognize the advantage of the experience in the United

Kingdom through such organizations as "Neddy", what has happened in France through their industry councils and what has happened in Belgium and the Scandinavian countries, then there is some reason for believing that we can accept this proposal as a substantial one. But, Mr. Chairman, we have had some experience with this government. If it means that this government is using this procedural device for the purpose that it has used other procedural devices, then there will be the greatest disappointment.

We have had other resolutions in past sessions which in their very wording suggested an imaginative approach to a particular problem. We have only learned by regrettable experience that the strength of words in these resolutions was not followed by substantial acts. We think of ARDA; we think of the many resolutions introduced by the Minister of Labour, all of which looked good on paper but most of which have not added any substance to the existing enactments on our statute books. There has been nothing by way of additional proposals to bite into the serious problems that face us, such as unemployment. If this is a mere facade, if this does not represent a serious attempt on the part of the government to emulate the United Kingdom, France, Belgium and the Scandinavian countries which have successfully met their problems in this period, then there will be widespread regret throughout this country.

Speaking of the need for a new approach, the director of the common market, Professor Hallstein, had this to say of what was being done in these various free enterprise countries with their mixed economies, and the desirability of boards and techniques like that now proposed in principle:

What is now at stake in our decisions is not a war between rival ideologies but the effective functioning of the modern economy. What we need is less empty phrases, less labels and more fundamental discussions of the technical and very complex problems which will help our powerful economic machine to forge ahead.

If the government subscribes to this, then there is reason to anticipate that through the proposal now before us something substantial will be done. We will have to wait until we see the bill to determine whether it affords any reason for the optimism which I hope will be justified. We have many serious problems today. Some of us in this house attended today with the mayors of some municipalities in southwestern Ontario, confronting three ministers of the crown who had assembled in the absence of the Minister of Finance, detained because of his duties in this house. We listened to their representations with regard to economic conditions in