

*The Address—Mr. Stanfield*

serious and perhaps permanent damage to their careers. When you couple to this the situation faced by the western farmers and the predicted slowdown in the growth of our exports over the final six months of this year, it all adds to the inadequacy of any sense of urgency in the Speech from the Throne.

We know that a large part of the problem in regard to the rate of growth is related to inflation. The economic council suggested that between 1963 and 1970 we should not permit the price level to rise by more than 10 per cent, but already by 1968 we have had inflation to the extent of 16 per cent. This is eating into our growth rate. It is taking a bigger and bigger chunk out of what the wage earner makes. It is bearing more heavily upon our pensioners, upon those with low fixed incomes. Where do we find the concern of the government expressed in the Speech from the Throne?

We know that the inflation to which Canada has been subjected is largely the result of poor management by the government in Ottawa. The former minister of finance gave us a number of lectures on restraint. In that day the government imposed restraint upon the helpless. It chose to tackle inflation by deliberately injecting a little slack into the economy, bringing about a deliberate slowdown. Now the present Minister of Finance (Mr. Benson) wants it the other way. I understand that a few weeks ago he blurted out at a press conference that his principal objective is high employment and if this involves a bit of inflation then he could stand it. So we have this process of backing and filling. What we have, of course, is excessive inflation and excessive unemployment.

● (4:00 p.m.)

What action is being taken to encourage restraint? As I said, certainly no restraint has been imposed on unemployment. The provinces on the one hand have been lectured and on the other hand blackmailed. What has happened to the prices and wages review board, or something like that, which the former minister of finance talked about last fall? Finally, in the crisis last winter the former prime minister announced that something was going to be done. Now, as I understand it, the present Prime Minister promises a white paper. I really think he is taking this thing fairly seriously. He has had two dinners to deal with this problem. It only took him one to deal with the situation last spring with regard to the question of regional disparity.

Seriously, the time for action on this commitment is long overdue. The offhand statement in the throne speech to the effect that parliament will be asked to consider proposals for a systematic and continuous review of prices and costs indicates that the government thinks this is another problem that can wait. We have had strong urging in the last couple of years from the Economic Council of Canada to implement what it calls a whole series of recommendations to strengthen the information base and public understanding which are essential for good performance and responsible behaviour in price and wage decisions. Among other things the council has called for the establishment of a standing committee on economic affairs of the Senate and House of Commons, the creation of an independent economic research institute, the timely documentation of economic trends and the stimulation of broader public debate about such trends, the substantial improvement of statistical information, especially in the field of prices, costs, productivity and income, and the development of greatly enlarged basic economic research. The council adds, "These promising possibilities suggested by the council remain largely untapped". Certainly this government is very casual in its treatment of the recommendations of the Economic Council of Canada.

There was a reference to trade in the Speech from the Throne. What has become of the allusion to a dynamic Pacific policy? The Prime Minister was going to mobilize special efforts to expand trade with the nations of the Pacific area such as Japan, Australia, New Zealand, South America, Southeast Asia, China and the eastern U.S.S.R. I hope this does not turn out to be just another election speech.

Anyone who is concerned about productivity and about growth in Canada must be concerned about the ability of our provinces to provide essential public services. If we are going to fight poverty and if we are to achieve a satisfactory rate of development in Canada by Canadians, what about the ability of the provinces to discharge their responsibilities? I am not talking about provincial rights; I am talking about the responsibilities the provinces have. This ability is essential to growth and development, education, urban development and highways, not merely local. In effect failure means national failure.

There is no need for me to go over all the reasons to indicate why the federal government should be interested in these matters. In