

The Address—Mr. Lesage

the courage to admit they will have to follow our policy in this matter. They intend to escape their responsibility by appointing a royal commission.

Contrary to a well-established tradition—and this is remarkable, you know,—there is no reference this year in the speech from the throne to the current economic situation. It is the first time since I have been in this house that there has been no reference to the economic situation in the speech from the throne. This omission is certainly not justified by the absence of economic problems. It can only be explained again by the absence of government policy.

After all, at present we have both rising prices and rising unemployment. Unemployment is rising rapidly and I am sure it will attain new post-war heights during the coming winter. It is expected that there will be several hundred thousand unemployed during the coming months in Canada. What is the government doing about this situation? The government, through Central Mortgage and Housing Corporation, has made available an amount of \$150 million in the form of loans in order to stimulate housing construction. This is not a new policy but the application of Liberal policy. This amount was always authorized in the act passed by parliament under a Liberal administration.

What else is the government doing to meet this situation? We have been told by the Minister of Labour (Mr. Starr) that the government is concentrating its building program during the winter months. Here again is a policy initiated by the Liberals but at the same time there is evidence that the government in its endeavour to reduce over-all expenditures as promised during the election is cutting down its construction program, which of course will have an adverse effect on employment.

During recent months prices have risen continuously and in spite of what the Minister of Finance said on orders of the day prices have not ceased to climb. In the situation we are now facing rising unemployment and rising prices are not incompatible. Moreover, in the long run, despite what the Minister of Finance has said, the experts in the field of economics in the United States, the United Kingdom, Europe and Canada all agree that the great danger in the free world is still inflation.

What is the government doing to curb the so-called creeping inflation and to reduce inflationary pressures? Here again it has no policy. We have not heard a word from the Minister of Finance on this subject. However, the minister made a speech a few

weeks ago in Montreal in which he made quite astonishing statements on the problem. In substance he said that the curbing of inflation was the responsibility of the individual citizen and he implied that anti-cyclical budgeting was an unwise policy. The minister surely knows that inflation is a collective phenomenon which feeds itself and develops into a spiral. There is very little that the individual citizen as such can do to prevent rising prices.

The Conservative government wants to appear as the party of the common man by increasing some of our social security payments but it still supports the good old reactionary fiscal policy of the Bennett regime which contributed so much to aggravate the depression of the 'thirties. Since the second world war all the democratic governments whether Conservative or Liberal, except the present Canadian government, have recognized that one of their primary responsibilities is to ensure a high and stable level of employment and income and that fiscal policy is one of the most effective weapons in the fight against unemployment and inflation. Surely the Minister of Finance knows that economic instability, whether it manifests itself in the form of unemployment or inflation, has its roots in the private sector of the economy and that a government whose policy it is, according to the Minister of Finance, to rely mainly on private initiative to eliminate those undesirable conditions is evading one of its basic democratic responsibilities. What we need at present is a positive and dynamic fiscal policy to cope with the present economic situation but the government is offering a negative policy based on the old fashioned and outmoded approach of Tory laissez-faire.

Absence of policy, Tory laissez-faire and government by postponement are the main characteristics of the present government. The Canadian people are still waiting for clear-cut policies on matters of national concern but the government is silent. We had an example of that today. The members of the cabinet have consistently refused to answer questions and to give information on important matters of policy to this house and to the people of Canada.

The reasons for this absence of policy and for refusing information are quite obvious when we hear the Prime Minister and the members of the cabinet mention the possibility of a general election. That is their refuge whenever they are reminded from this side of the house of their lack of policy. The Prime Minister would like the people of Canada to believe that the dissolution of parliament would be an act of courage on his part.