ures are required on the part of the government to counteract the two problems to which I have referred.

This government have lost their way so badly that today they are unwilling to give any indication of what they anticipate will be the unemployment rate during 1975. They will not indicate what the real growth in the country is going to be, nor will they even forecast the inflation rate. We cannot get any type of evidence as to how many housing starts there will be. Why should they feel they can govern in such a vacuum when the governments of every other western industrialized country come clean with their people, tell them what they forecast for the economy in the ensuing year and what their fiscal and monetary stances are to ensure that those forecasts will be met? I point this out because it is particularly significant that the banks and other credible advisory services have predicted what will transpire in Canada. Because of this government's habit of keeping things secret—presumably because they do not want to disclose their ignorance—these economists are required to make their forecasts without the benefit of a federal government forecast as to what will transpire in this country.

I refer to the fact that Wood Gundy made a 1975 forecast. Canadian Pacific Limited, Du Pont of Canada, the Royal Bank of Canada, W. A. Beckett Associates, Burns Brothers and Denton, Royal Trust, Brault, Guy, O'Brien, Canadian Imperial Bank of Commerce, MacMillan Bloedel, Richardson Securities of Canada, and McLeod, Young, Weir and Company all made forecasts as to what they anticipate will be the economic facts of life in 1975. But not our leaders, the federal government. The Conference Board of Canada made forecasts, as did a University of Toronto group headed by Messrs. Jump and Wilson. Could it be that the reason the federal government has not made forecasts is that they feel the forecasts they would make would be so alarming to the Canadian public that they would cause undue pessimism?

● (1610)

I ask that question because it is interesting to note that in the forecasts I have referred to, the best real growth increase forecast by anyone to date is 2.5 per cent in 1975. There are economists who predict a real growth rate this year of zero per cent. Those who have been willing to put their names on the line are forecasting that Canada's real growth rate in the current year will be between zero per cent and 2.5 per cent. Bear in mind that 2.5 per cent, with our population increase, means that on a per capita basis there is really zero growth in this country. If in fact we do have zero growth in aggregate terms, then with our population increase we will have negative real growth on a per capita basis.

Some economists predict that inflation this year will be no lower than 8.5 per cent and it could go as high as 10.5 per cent. These economists point out that the average unemployment rate in the country will be a minimum 6.6 per cent, though some predict it could go as high as 7.7 per cent. Surely the government owes it to the Canadian people to tell them what it sees in the current economic climate for Canada.

The University of Toronto Economic Outlook for 1975 to which I have referred makes a very interesting forecast both before the effects of the November 18 budget and after. For the President of the Privy Council to mislead the House in the way he has concerning the economic effect of the government's budget is unforgiveable. This forecast of the University of Toronto was supplied to the government. In fact, the forecast is run off on the very computer used by the Department of Finance.

The University of Toronto makes it clear that inflation, for example, is estimated to be 10.67 per cent in 1975, that the net change in the inflation rate from what it would have been without the November budget is 0.18 per cent. In other words, less than one-fifth of 1 per cent is the net effect on inflation of the government's current budget. This is why we support that part of the resolution of the Social Credit Party deploring the inaction of the government in the fight against inflation on the fallacious pretext that it is an international problem. The University of Toronto forecast shows that this government, through its budgetary measures to date, has done virtually nothing to lessen inflation in this country.

Yesterday the governor of the Bank of Canada made it clear that the suggestion that somehow or other international forces are causing inflation in Canada is not correct. At page 5 of the annual report of the governor of the Bank of Canada to the Minister of Finance, for 1974, the following is stated:

> Up to the present the rapid pace of increase in the price level in Canada has continued largely unabated, although the forces propelling it have changed substantially. Prices in Canada are no longer subject to the influence of sharply rising international commodity prices nor, apart from a few exceptions, to the upward pull of excessive foreign and domestic demand on industries already producing to the limits of their capacity.

Unless the government wishes to disagree with the governor of the Bank of Canada, surely it should accept that this old, lame excuse that it can do nothing about inflation in Canada because it is an international phenomenon is not valid today. The truth is that some hard economic situations face us in the future. We have an unemployment rate that is unacceptable; we have an inflation rate that is unacceptable. We believe it is time the government stopped its consensus chats which seem to be droning on and on. It is encouraging to hear the President of the Privy Council say that he thinks the phase they are in now is going to stop and they will shift into a new phase. But judging from past experience we may find that the government is systematically using rhetoric instead of action to get itself through a difficult period.

I should like to put on the record certain other facts to be found in the report of the governor of the Bank of Canada. At page 7 the following appears:

> From early 1973 to the late summer of 1974 the monetary policy followed in Canada was directed at offering increasingly strong resistance to the excessively rapid growth of aggregate spending that was then occurring. Although the total quantity of goods and services that the Canadian economy is physically capable of producing cannot be expected to increase by much more than about 5 per cent annually, the rate of increase of national expenditure in money terms reached a peak of about 20 per cent a year as recently as late 1973 and early 1974. The longer such a high rate of growth of aggregate spending continued, the longer a high rate of inflation of the general price level would have been inevitable.

In plain, everyday language, Mr. Speaker, what the governor is pointing out is that the monetary and fiscal