

Anti-Inflation Policies

years. We only hope that some day when the Prime Minister looks into the mirror he will see reflected the Leader of the Opposition. Then we shall hear some good advice and tread the right road to prosperity, a road we would be treading if the Leader of the Opposition were Prime Minister today.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. Perhaps I should indicate to hon. members that there is a slight difficulty as to whom the Chair should now recognize. The hon. member for Broadview (Mr. Gilbert) stands, as does the hon. member for Dauphin (Mr. Ritchie). It is not easy to decide to whom shall be given the floor at this time. Since the motion has been moved by the Leader of the Official Opposition (Mr. Stanfield), I think perhaps the hon. member for Dauphin should be given preference over the hon. member for Broadview. I do this with some hesitation because I know we shall be deprived of the fine contribution of the hon. member for Broadview. But all things being taken into account, I think the hon. member for Dauphin should be recognized at this time.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, thank you for recognizing me. I will do my utmost to permit the hon. member for Broadview (Mr. Gilbert) to say a few words. In rising to speak on this motion proposed by the Leader of the Opposition (Mr. Stanfield), it occurs to me that this is a most appropriate topic for us to deal with at this time. The Dominion Bureau of Statistics reported that at the end of March, 6.7 per cent of our labour force was unemployed. This is the highest unemployment rate we have suffered in a long time. Needless to say, Mr. Speaker, this unnecessarily high rate of unemployment is having a disastrous effect on the country.

Mr. Jack C. Weldon, a highly regarded economist, is quoted as saying that in the province of Quebec 12 per cent of the male work force is unemployed. I quote from a statement by Mr. Weldon as reported in the *Toronto Star* of April 20, 1970:

It is very dangerous for this country when the numbers that are discontented are as large as they will be seen to be in two weeks.

The government has allowed its prestige to be tied to a goal that was irrelevant and could not be achieved destroying inflation...and it has abandoned its power to attain a very important goal; a reasonably high level of employment.

In questioning the government's handling of inflation problems a wave of misgiving and mistrust is sweeping the country. Throughout

the length and breadth of the country the people are seeing at first-hand that the government's anti-inflation policies are not having the effect we were led to expect. All across this troubled country, Mr. Speaker, people are seeing the real effects of the policies; they are watching their jobs disappear and they are watching the cost of living climb at a disastrous rate.

There may have been a time when the policies now being employed to combat inflation might have had the desired effect. But it is obvious that the time is not now; and it is equally obvious that the government has missed the boat. The government has waited too long to take effective measures to combat inflation and what we are witnessing today is not a war on inflation; we are watching the government wallowing in a sea of confusion and indecision. Mr. Speaker, we are in a panic situation.

Some hon. Members: Hear, hear!

Mr. Ritchie: The government is employing the measures today that it should have considered a few years ago when government policy was to allow banks and other financial institutions to expand the money supply like it was going out of style. Well, Mr. Speaker, it may be that the government was right on one point, at least: money is going out of style, all right, because it is worth less in buying power with every day that passes.

Picture the paradox of present-day Canada. Here we have a country rich in human and natural resources, we have a large and willing work force, we have a stable government—in the physical sense, that is—and we have a population comprised of energetic and forward-looking people. The only thing we lack is leadership. I would have to assume at this point in time that the people of the United States are enjoying a higher level of leadership than we in Canada are enjoying. In the U.S. inflation is declining while ours continues to rise. Interest rates are lower in the U.S. than in Canada, and their rate of unemployment is lower than ours. I am not suggesting that we should have a government that is different from the one we have, but I do suggest that we should have, and must have a higher quality of leadership.

One of the great causes of inflation, Mr. Speaker, and one that can be pinpointed with uncanny accuracy in our present dilemma is government spending of a non-productive nature. Mr. G. A. Hart, chairman and execu-