

The Address—Mr. St. Laurent

as neatly as all that for the individuals concerned. That is why the measures which the government will take to deal with our economic problems this year will of necessity be flexible, be selective and be designed to meet special situations rather than anything in the nature of a grandiose over-all blueprint for the general economy of the nation.

I have already indicated that these measures consist first of all of the extension of unemployment insurance to take care of a larger volume of unemployment than was normally to be expected; second, the extension of authority for price support of agricultural and fisheries products to ease the impact of the readjustment which is necessary, and which everyone had realized would be necessary. Then we wish to go ahead as rapidly as possible with the trans-Canada highway, and negotiations are being pursued actively with the provincial administrations to bring that about. We are also anxious to get ahead with further housing. Further housing is required, and hon. members know that the provisions of the National Housing Act were liberalized by amendments made at the last session to provide for maintaining activity in the construction of residential housing. We are also negotiating with the provincial administrations along the lines authorized by the legislation adopted at the last session with respect to forestry and the conservation of other natural resources.

In addition to what will be taken care of in that way there may remain some residual local problems, but there is probably no locality where there is unemployment today that could not stand more housing construction. If they will co-operate that will do much to relieve all that can be relieved by means of the construction industry. There are probably not many localities where there is unemployment that could not stand more municipal improvements such as water works, sewers, sidewalks, paving, and so forth. Our municipalities are all in a good sound situation at the present time, and can consider the prosecution of local improvements if they feel that the employment situation in their midst would be benefited thereby.

During the dinner recess I saw an editorial in today's *Ottawa Journal* which may require me to take a little more than the ten minutes I anticipated before the recess. The editorial is headed:

Unemployment insurance doesn't make jobs.

That is partially true. Unemployment insurance does not create new jobs, but unemployment insurance, like all other measures which have been taken to distribute

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purchasing power, maintains jobs and maintains economic activity. As I said before, that results from the distribution of purchasing power under the veterans' charter, from its distribution under the Family Allowances Act, from the increase in old age pensions, and from the substantial amounts that have been paid out under existing legislation respecting unemployment insurance.

As to pensions, it is true there was no specific reference thereto in the speech from the throne, and that a motion has been put on the order paper calling for the setting up of a committee to look into the whole matter; but I do wish to repudiate the charge that there has been any change in the attitude of the government. In December, 1948, shortly after I had assumed the responsibilities of the office I now occupy, I stated what the policy was in that respect. Part of what I said at that time was:

There are also old age pensions. The Liberal party is not fully satisfied with the present old age pension scheme even though old age pensions were started by a Liberal government. The Liberal aim is a contributory scheme in which everyone can pay in something during his working years to help provide security for his old age. But a contributory plan will require an agreement with the provincial governments, and so far it has not been possible to reach such an agreement.

That is exactly the substance of what I said during the election campaign. I referred to it in a national broadcast made from Moncton on the 19th of May, 1949. At that time I said:

In a broadcast last December I said it was the policy of the Liberal party to improve the present old age pension scheme. One big advance was the increase of \$10 a month in the pension made last month.

I was speaking in May, and the increase of \$10 had been provided in legislation adopted in April.

But the Liberal aim is a contributory system in which everyone can pay in something in his working years to help provide security as a matter of right in his old age. Contributory old age pensions, like health insurance, require an agreement with the provinces, and so far it has not been possible to reach such an agreement.

It has not been possible yet to reach such an agreement. I added at that time:

But we are going to continue to work for an agreement, and meanwhile, as I have said, something substantial has been done this year for the old age pensioners.

We have provided for another conference with the provincial authorities to take place early in the fall. In the amendment moved by the leader of the opposition (Mr. Drew) there is a charge of failure, in these terms:

Failed to take steps to inaugurate a national contributory system of old age pensions without a means test.