

with the provinces, but to say that it will control inflation is just a sham.

As I have said, honourable senators, I did not intend to take this position until the Leader of the Government became the great apologist for the Minister of Finance, which he so demonstrated in the last few minutes. What the Minister of Finance has given the people of Canada is an amendment to the powers of a committee and a threat which nobody knows in what form or when he will carry it out. Something has been said somewhere about not threshing old straw the second time.

The reference in 1959 to the Standing Committee of the Senate on Finance was a reference designed to embarrass the Government of that day.

Hon. Mr. Connolly (Ottawa West): I am sorry, but I cannot agree with you.

Hon. Mr. McCutcheon: I could read the vote, but I will not embarrass the honourable Leader of the Government. It was designed to embarrass the Government of that day.

I was a little shocked when I listened to the Leader of the Government telling us how long the Joint Committee on Consumer Credit has been going—November 1963, March 1964, March 1965, and March 1966. I can assure honourable senators that if it takes as long to go into this question of rising costs and the increase in the cost of living we will be in either a bust or a new boom, and in either case we shall not have to worry about the report of the committee. All I am saying is that this reference to the committee, and this extension of its powers, is a sham to deceive the people of Canada.

Mr. Sharp has said—he sent me his press release—that this will be educational. We do not need any more educational material than we have already. Has Dr. Deutsch changed his views as to the causes of inflation? He was the adviser to the Senate in 1959, and is now the Chairman of the Economic Council of Canada. He occasionally makes statements which I am afraid may embarrass the Government, but of course that is his privilege.

The reason why we are here tonight, honourable senators, is not to agree to this sham extension of the terms of reference of this committee, but because on amendment in the House of Commons it was moved that this committee have leave to sit notwithstanding any adjournment of this house. I should like to ask my honourable friend

Senator Croll, at the conclusion of my remarks, if he will tell me of the plans he as co-chairman of the committee has in this respect, because I read in the press that his co-chairman has said that the committee hopes to get down to work in three or four weeks.

Hon. Mr. Croll: No; in about ten days.

Hon. Mr. McCutcheon: That is what was reported in the press. I read it in a paper that is not very unkind to the Liberals, the *Globe and Mail*. It also implied that Mr. Basford meant after the recess.

Honourable senators, we are not going to oppose this at all, but let us not try to bemuse either ourselves or the public of Canada by thinking that this is making any contribution to the problem that faces us today, because it is not. Anybody who wants to know about the classic causes of inflation can find them all here. Anybody who wants these charts brought up to date can do it for themselves by using the material that is available now. This committee may have served some useful purpose, but I, as a person who thought he kept abreast of what was going on in the country, never heard of it until I did a little research after the Senate was called back. So, when Mr. Sharp says that this will help the public obtain a general understanding and make them save their money instead of spending it, all I say is that I am not convinced.

I shall refrain from trying to review item by item the honourable Leader of the Government's defence of what the Government has done, but I shall ask a few questions. Will he rise and tell me specifically where has been this restraint on capital construction? Where is the evidence of it? It is certainly not in the spending figures. Sure, they have not built a rink in Vancouver, but I do not think they ever intended to. But, where is the item in the estimates that has been thrown out?

The honourable Leader of the Government seemed to imply that the Government would put in price and wage controls but for the fact that this was not a unitary state; it is a federal state. The honourable gentleman knows just as well as I do that price and wage control in a democratic state in peacetime, whether it be a unitary state or a federal state, is impossible.

Hon. Mr. Connolly (Ottawa West): It is done in England.