

The Address—Mr. Argue

important for our destiny. I suggest that at this session of parliament arrangements should be made to allow members to go into this question most thoroughly to see what attitude Canada should adopt, to determine what program we should follow and to decide whether or not, as a first choice through the United Nations or, as a second choice, through co-operation with other free nations, we may develop a joint effort in this regard.

I listened to the Prime Minister (Mr. Diefenbaker), and I listened to the Leader of the Opposition (Mr. Pearson) and each one of them made a good speech—a speech to infuse their followers and to put some fear—I heard that word very often—into their opponents. But those same speeches could well have been delivered in this house two years ago by the same persons sitting on opposite sides, except they would have had to exchange their notes.

We have a government in office at this time which has presented its third speech from the throne. This government, I think, came to office because of two main reasons. First, the Liberal administration had not dealt with certain very grave problems facing the Canadian nation, and secondly, the present Prime Minister and the men around him had been able to put forward very strong arguments and been able to capture the imagination of the Canadian people and persuade them that if they were given the powers of office they would solve the problems which the former administration had not been capable of solving.

What were these problems, and what were the arguments on which the Conservative government came to power? One of them, of course, was that this government would deal with inflation; that the erosion of the Canadian dollar would be stopped and the continual eating away of the value of social security benefits would be arrested. The Minister of Finance (Mr. Fleming) and the Prime Minister helped the government to come to power by pointing out evils which they attributed to the former government's tight money policy and high interest policy. That is one of the reasons why they sit where they do today.

How the government, when in opposition as the Conservative party, wept for the provinces; how they wept for the financial position of the provinces and how they said that the government of that day was allowing rising interest rates to make municipal financing more difficult. How they said: if we are given the reins of office we will call a federal-provincial conference. The Minister of Finance in January of last year said he would call a second federal-provincial conference to make certain that these problems would be solved.

[Mr. Argue.]

The government appealed to our elderly citizens and said that if they were returned to power, not only would our elderly citizens have a higher pension but immediate steps would be taken to bring about an expanded social security program. They promised a cure for unemployment. The Prime Minister even promised a cure for every individual unemployed. He said no person in Canada would suffer because of unemployment if he were returned as prime minister of this country. The latest figures we have—and there will be new ones tomorrow—show that upwards of 400,000 Canadians are out of work.

Mr. Martin (Essex East): More than twice that.

Mr. Argue: The government came to power by saying they would solve the farm crisis; that they would meet the difficulties faced by the farmers by instituting parity prices and by deficiency payments, thereby removing the farmer from the effects of the price-cost squeeze.

Mr. Diefenbaker: On a question of privilege, any reference to a promise of deficiency payments is not based on fact.

Mr. Argue: I have the facts here and it will not be the first time I have placed those facts on the record.

Mr. Diefenbaker: They are not facts.

Mr. Argue: They have not been disputed and I will attribute them to the appropriate minister when I come to that part of my notes. The Prime Minister has said: no deficiency payments. We will let the people of western Canada judge on the basis of the record whether or not such a commitment was made and such a hope held out.

What has been done to deal with the problem of inflation which is a very important and serious one? Inflation does not strike the strong, particularly; it strikes the weak. Inflation eats away the value of the old age pension and of the family allowance; it eats away the value of pension plans to which people have contributed for a lifetime. I am not going to say it is the greatest economic problem facing the people of this country today, but certainly the problem which faces the greatest number is the problem of inflation and the way in which it is eroding the income, savings and credit of the people of this nation. I have here some tables which show the reduction in the purchasing power of the old age pension since 1949. A person who began to receive an old age pension in 1949 would, from that date to the end of 1958, have received a pension amounting to \$4,914. But in terms of 1949 dollars a pension over that period