

*The Address—Mr. Nesbitt*

to a 60 per cent further rise by 1980. This would suggest almost 11 million vehicles for Canada in 1980, a ratio of 2.3 persons per vehicle or approximately the ratio predicted for the United States in 1970.

Ontario provides a good example of what this means in terms of highway needs. In southern Ontario, for example, we have a vast urbanized area that extends almost without break from Windsor to Oshawa. This area is perhaps the most prolific manufacturing area in Canada. Trucking, which is the mode of transportation best adapted to moving manufactured goods into the heart of the market area and to moving goods to a great variety of distribution centres, is obviously of tremendous importance to the economy of the area.

Yet there are great needs in the field of highway construction, even in this relatively rich province, and there is a lack of funds to fill these needs. One of the greatest needs is for an expanded system of bypasses around urban centres both large and small. Every time a truck has to pass through the centre of an urban area, its progress is slowed down. This means delay in the manufacturing process if it is carrying partly processed goods, and delay in distribution to the consumer if it is carrying finished goods. It also means a higher final price for the goods being delivered, since insurance rates for trucks travelling through urban areas are higher. This situation becomes aggravated in a city like London, Ontario. I might mention that in my own city of Woodstock there is often a procession of 50 or 60 trucks an hour along the main street, to say nothing of the inconvenience this causes to people in the area.

Clearly, then, it is in the interest of the greatest possible efficiency and competitiveness of Canadian industry that adequate highway facilities be provided. In the face of obviously inadequate provincial financial resources, the federal government must step in and fulfil its traditional role of assuring an efficient route for Canadian trade.

The last item I wish to raise is the shocking rise in the cost of living. The cost of living is the major problem facing Canada at the present time. I note with some regret that there was only passing reference to this very important matter in the throne speech, as a matter of fact just two small paragraphs. This in itself cannot help but create apprehension among the business and labour communities, indeed among everyone, that the government is really not paying much attention to the problem.

During the course of this debate many speakers have drawn a great deal of attention to this question, so much so that the Prime Minister (Mr. Trudeau) has apparently been moved to get off his stern and to make references in speeches outside the House to the possibility of price controls, and only last evening to the possibility of imposing some form of taxation on businesses and labour unions in order to force them to bend to the government's will.

We are very glad that the Prime Minister has at last decided to pay attention to this very important matter. We are also glad that he realizes that it is important. Whether the methods he has in mind or to which he refers, such as price controls and taxation, are feasible, we know not. Many of us think that probably—and I say probably—they are not feasible because of constitutional problems. We often wonder whether the Prime Minister really means what he says when he talks of methods of price control and taxation to enforce the will of the government, or whether he is not trying to promote another of his famous dialogues. However, we will wait and see just what he does mean.

The stage for this very severe inflation which we are now experiencing was set with the notorious settlement that was made under the auspices of the then Minister of Labour and which granted a 35 per cent wage increase to the seaway workers. This was followed, of course, by appropriate and similar wage increases for the dockworkers in Montreal and the Expo workers. Since then things have steadily worsened. We have a situation where big labour is blaming big business and big business is blaming big labour for spiralling prices.

Quite frankly, Mr. Speaker, in the opinion of most people the credibility gap between the general public, on the one hand, and big labour and big business on the other hand, is a gap no longer—it is a gulf or chasm. Both big business and big labour, in the press and through other media such as television, have been trying to explain that not they but the other guy is to blame for this problem. The Canadian public is getting increasingly suspicious of this sort of activity.

As I have said, Mr. Speaker, the rising cost of living has reached an acute stage. For a number of years previous to this year the increase has averaged about 4 per cent a year. This itself is bad enough, but this year shows every indication of a rise much greater than 5 per cent. Only recently the rising cost