

*The Address—Mr. Barnett*

As the Minister of Transport said, in each session the Canadian parliament deals with the immediate crisis that lies before us. I agree that at the same time we must try to look ahead. Having been in the chamber somewhat longer than the minister has been, I think I can say that in each session of parliament we look at the future of our country and try to determine in which direction we ought to move. Commenting on the radio the other day on the particular characteristic of this session, I said that this may become known as the session of the great inflation debate. It will be a watershed in our attempt to come to grips with the realities of inflation.

Earlier in his Monday night speech the Minister of Finance spoke of the great problem of our deep-seated inflationary expectations, meaning no doubt the expectations of people who believe that inflation will go on forever. They want all they can get out of it. The minister said this:

I should like to assure the House that it is the intention of the government that this shall not happen, and it will not happen for the benefit of the little people in our country.

Some people in this House have for many years been trying to say that the little people of Canada are endangered by inflation. This session may become a watershed inasmuch as for the first time in my experience a Minister of Finance in this chamber appears to be taking inflation seriously enough to do something about it.

In the period since the end of the second world war—and during the war we had some controls—a certain trend has been followed in our economy. That trend, with the exception of one or two brief periods of so called recession, was one of inflation. During most of this period there has been sitting on the treasury benches a government that calls itself Liberal. We had a Liberal government after the war which deliberately turned its back on any kind of orderly control in our society. It abandoned all wartime controls almost overnight, encouraged the formation of an inflationary price spiral and ignored the pleadings of the labour leaders of the country who asked the government not to abandon controls completely. They said that if the government was prepared to take this course they were prepared to recommend to the constituent unions of the labour congresses that they hold down the lid on demands for wage increases unless those wage increases could be tied to increases in productivity.

Today when a Liberal Minister of Finance says, "I should like to assure the House that it

[Mr. Barnett.]

is the intention of the government that this shall not happen", meaning that the inflationary spiral shall not go on forever, no one should be surprised if some members in this chamber display skepticism. Never before has a Liberal Minister of Finance taken seriously suggestions that inflation poses a danger to the little people of Canada.

Year after year we have seen the real purchasing power of our people eroded. We have seen the government refusing to take action which will prevent our little people from falling farther and farther behind so far as incomes are concerned. Their incomes have fallen behind those enjoyed by other groups within the economy. I hope the panic the minister has evidenced will cause sober thinking in government circles and that government members mean what they say when they talk about measures to halt the spiral of inflation. After all, that is what some of us have been talking about for a long time. If the minister is really serious, I for one do not mind if he waxes slightly hysterical and makes wild and inaccurate observations about this party's position. It is worth paying that price if our Minister of Finance is prepared to seriously tackle the question of inflation. Nevertheless, when one remembers the situation the minister has left our little people in, the old age pensioners and others who seek housing, one begins to wonder how much of what he says he means. Only yesterday I asked the Minister without Portfolio responsible for housing a question about the roll-back of interest rates affecting projects under section 16 of the National Housing Act. The situation I was alluding to is not unique to Port Alberni, but I did that because of the fact that the housing society in Port Alberni, the Alberni Valley Senior Citizen's Homes, had developed a project to meet the growing need for accommodation for senior citizens. They had taken all the necessary initiatives and had raised locally the money necessary to engage architects to draw the sketch plans for a new high-rise hostel-type development for senior citizens.

● (4:50 p.m.)

This project was to meet the real demand—not more than the real demand—for this type of accommodation in the community. They had received the necessary preliminary approval from the authorities of the province of British Columbia. They had reached the stage where they could proceed to the working drawings and they anticipated early construction. They suddenly discovered all their