

an opportunity of considering that report, and will find it very valuable to them.

I am sure we all agree, as your attendance here so readily tonight would indicate—having been called back a second time from vacation to deal with public business—that some great good can come from the deliberations of this committee. I commend this motion to the Senate.

Hon. M. Wallace McCutcheon: Honourable senators, once again I rise almost overwhelmed by the authority and the earnestness of the Leader of the Government (Hon. Mr. Connolly, Ottawa West). Before dealing with what he has said, let me also pay my tribute to our friend in the gallery, the Vice-President of the Commonwealth Parliamentary Association. May I remind the Leader of the Government, as I mentioned to him at lunch today, that I am first in line to go to the meeting next year. I do not wish that to be overlooked.

Honourable senators, this is the innocent type of resolution that could possibly be passed without comment or debate, and I must confess that if my honourable friend the Leader of the Government had not become the great apologist for the Minister of Finance I would speak much more briefly than I intend to speak now.

The Leader of the Government took some of my words out of my mouth, because I proposed to refer to the Standing Committee on Finance which was instructed to study the threat of inflation in 1959, and which reported back on July 14 of that year. In the course of its ten sittings it heard Professor Frank Knox of Queen's University, the Governor of the Bank of Canada and many other people. Then it reported, and its conclusions were as read by the Leader of the Government. One item he did not read—this of course was not part of the conclusions, and I am not being critical—but he might have included these words:

Your committee records its deep appreciation of the invaluable help received from its consultant and adviser, Dr. John J. Deutsch.

As I recall, Dr. Deutsch gave a press release or made a speech or statement about two days after Mr. Sharp made his statement on September 8, in which he suggested that there were certain priorities in this country, and that one of the great priorities was the question of education at the post-secondary school and post-graduate levels. Mr. Sharp,

according to the press, when questioned said he did not need Dr. Deutsch to tell him that; on the other hand, that is one of the anti-inflationary measures Mr. Sharp has introduced.

I did not intend to discuss this point tonight, honourable senators, but the Leader of the Government has forced me to do so. Imagine saying, "We are going to slow down research expenditures as an anti-inflationary measure." Mr. Sharp is an economist; I am not. Mr. Sharp knows better. There is no excuse for that at all.

The Leader of the Government, reading the list of conclusions by the earlier committee, read these words:

Tools to contain inflation are available—what is necessary is the will and determination of the people and the authorities to use them.

That is all we lack today, the will and determination of the authorities.

The so-called anti-inflationary measures brought in in the budget of March of this year were criticized at least by myself as being incapable of accomplishing what they were designed to accomplish. The Minister of Finance now admits that they did not accomplish what he designed them to do, and so now he is standing up and telling us, "Well, I am going to cut back on research. I am not going to go ahead as fast as I would like to; I am going to cut back on winter house-building bonuses." That was announced a long time ago. He also says, "I am not going to go ahead as fast with university grants."

Hon. Mr. Choquette: University scholarships.

Hon. Mr. McCutcheon: Well, so far as university scholarships are concerned, of course he was never going to bring in scholarships anyway. I was in fact thinking of general university grants. These scholarships have been on the books for a number of years, but I would like to see any government of Canada try to grant scholarships in the Province of Quebec.

The Minister of Finance is also going to put medicare back a year. As a matter of fact I am in complete accord with that course. Sometimes wise decisions are made on the wrong basis, because putting medicare back a year is not an anti-inflationary measure. Putting medicare back a year will fortunately give us another year to discuss the matter and to see if we can work out our problems