

*The Address—Mr. Pearson*

more effective action for the purpose we all desire to achieve than we could ever hope to take through the particular bill which is before us now. I make this proposal in the hope that it may commend itself to the government, and in the hope that this matter may receive broad and non-partisan support in this and in the other house.

I wish now to say a few words, or indeed more than a few words, about the economic picture as it faces us in this country today. It is a picture of recession and unemployment. It is a picture also of inflation and rising prices becoming more and more dangerous. It is, thus, a picture which reflects a dual danger. I do not think it is an exaggeration to say that we are facing the most serious situation since the end of world war II, and perhaps the Minister of Finance will agree with me in this respect.

The Minister of Justice in a speech made a couple of weeks ago, showed once again that this government, which took office in June of 1957, is still hoping in January, 1959 to transfer the blame for its own sins of omission and commission, for its own inadequacy, to the policies of the previous government. No doubt the Prime Minister when he follows me will try to do it too in his usual vigorous, rhetorical way. No doubt he will say, "What did you do in 22 years?"

**Mr. Churchill:** That is right; what did you do?

**Mr. Pearson:** I can answer that. It is a good question, and it does not embarrass me a bit. This device has been used by the Prime Minister just to get himself off the hook. He no doubt will say, "Your policies are to blame for everything; we are struggling gallantly against this vile inheritance."

**An hon. Member:** Hear, hear.

**Mr. Pearson:** Somebody says "Hear, hear". I will have some reference to make to this "vile inheritance" in a moment. However, while the Minister of Justice talked as he did, and as the Prime Minister will be talking soon, the Minister of Trade and Commerce in his year-end review argued that our present economic problems—and I quote—are "due to international causes". And the Prime Minister said himself, when he made his report over the air on December 21, that they are part of—and I quote again—"a world-wide economic slow-down". Hon. gentlemen opposite had better make up their minds what is the source of this trouble. I am sorry that business has taken the Minister of Justice out of the house, because I do not like to refer to him in his absence.

**An hon. Member:** Here he is.

[Mr. Pearson.]

**Mr. Pearson:** I am very sorry indeed to deprive the Minister of Justice of that cigarette.

**Mr. Fulton:** Just finished it, anyway.

**Mr. Pearson:** No doubt the minister in his speech the other night at the Chateau Laurier had the young Conservatives pale with agitation at the distressing picture of the awful mess inherited by this government.

**An hon. Member:** Hear, hear.

**Mr. Pearson:** The hon. gentleman says hear, hear—

**An hon. Member:** The Beacon Arms.

**Mr. Pearson:** Very well, the Beacon Arms. Now, as to this "awful mess", how did the associate deputy minister of trade and commerce describe it last November 10? The associate deputy minister of trade and commerce holds an appointment made since the election by the right hon. gentleman himself; he is a gentleman—and I say this in no political sense at all—who is very friendly indeed to the present government at this time, and this is how this appointee of the government, the associate deputy minister of trade and commerce, described the "awful mess" inherited by the government. These are his words:

The 1950's have been years of tremendous development in Canada. In the seven years from 1950 to 1957—

I am amazed that he stopped at 1957; I hope he has not lost his job because of it.

—Canada's gross national product rose from \$18 billion to \$31.5 billion, an increase of 75 per cent and in our last boom period of 1955 and 1956, the Canadian economy experienced the most rapid increase in over-all physical output yet achieved in the post-war period.

Well, that is the situation which hon. gentlemen opposite inherited. Perhaps the Minister of Justice ought also to be reminded of the words used by the Minister of Finance in Toronto a year before that, not long after the inheritance was so joyfully received. This is what the minister said not long after this "awful inheritance" was received:

If this is a national emergency, all I can say is that practically every country in the world would like to have a national emergency like it.

So the national emergency had begun to appear after November, 1957. This desperate device of trying to blame everything on the Liberals has become stale and worthless, and perhaps gentlemen opposite could discard it from now on. Even if their charges were true, and of course they are false as I have shown from the mouths of hon. gentlemen opposite—

**Mr. Fleming (Eglinton):** You have not.