

amount of goods as it bought several years ago. We ought to make the adjustment in the full cost of living increase and the same for welfare benefits and minimum wages.

I see by the clock that my time is up, Mr. Speaker. Some points that I have not dealt with will be taken up by other speakers from my party and other parties if they catch your eye. I want to conclude by saying to the government that neither I nor my colleagues particularly enjoy making strong declarations concerning unemployment and the rising cost of living and condemning the government for them. I would be a much happier member of Parliament if it were possible, conscientiously and honestly, to congratulate the government for having accomplished something for the people of Canada, but it is impossible to do so as the record of the government in this field has been abominable.

**Some hon. Members:** Hear, hear.

**Mr. Lewis:** It has been heartless and inhuman; it has resulted in a bad future for the country; it is unforgivable; it is out of date and we cannot but condemn it.

**Hon. Robert L. Stanfield (Leader of the Opposition):** Mr. Speaker, I had hoped to have the privilege of hearing whatever excuses the Minister of Finance (Mr. Benson) has to offer before speaking, but since he does not choose to take the floor I shall do so quite happily.

There can be no doubt but that it has been the policy of this government for some two years to create slack in the economy, and to deliberately create unemployment. I go back to the statement made by the former minister of finance, now the Secretary of State for External Affairs (Mr. Sharp), in the fall of 1967, in which he stated this: "I have taken the position consistently that as far as I am concerned and the party associated with me, I do not accept this as a civilized way of fighting inflation".

For some two years I have been advocating and suggesting to the government that it use a guidelines policy in order to reduce the necessity for fiscal and monetary austerity. Yesterday, if I heard him correctly, the Secretary of State for External Affairs asked me what my policy was. I have not had the slightest hesitation in the last two years in saying very clearly what the policy ought to be with regard to fighting inflation. The former minister of finance, the present Minister of Finance and the present Minister of Consumer and Corporate Affairs (Mr. Bas-

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ford) have poured scorn on this approach and that is why I have been pressing the ministers in the last couple of days. I have been trying to find out what they really intend to do, what their policy is with regard to the consensus reached here on Monday and Tuesday last.

We have a statement made by the Prime Minister (Mr. Trudeau) that he is going to stick to austerity even if unemployment goes over 6 per cent. It has reached that figure, Mr. Speaker. I say again that it is not a question of what the Prime Minister or his ministers are prepared to stand for; it is a question of what the economy can stand.

**Some hon. Members:** Hear, hear.

**Mr. Stanfield:** I say without hesitation that we have to go back a long way to find the country in a worse position psychologically than it is today, partially at least as a result of the unfortunate fiscal, financial and economic policies pursued by this government. For these ministers to have set their faces stubbornly, and I say stupidly, against the kind of policy that for the last six months has been recommended by the Prices and Incomes Commission has been a gross dereliction of duty. They are allowing the Prices and Incomes Commission to go through the motions as if they were supporting a policy of guidelines at a time when it is very, very difficult to do this because of inflationary pressures which are so deeply built into the economy today.

I should like to ask the minister why this policy was not resorted to some time ago, rather than the policy of simply and deliberately creating unemployment. Mr. Speaker, we still do not know what the government's policy is with regard to these matters; we still have nothing but evasion from the responsible ministers and the Prime Minister as to their intentions; nothing but evasion and a refusal to state policy.

Now, Mr. Speaker, I do not know exactly what is meant in the motion by "a comprehensive program of incomes and prices policy". I do not know whether the sponsors of this motion envisaged a continuing system of price controls or something of this sort. To me, that is inconsistent with the type of economy we have in this country and anybody who looks at it must quickly come to the conclusion that if you are going to have a continued system of price controls then you