

*The Address—Mr. Coldwell*

investment in Canada. This leaves Canada most vulnerable not only to economic trends in the United States economy but also to economic pressure and I believe ultimately to political pressure from abroad.

I remember that, just a short time ago during the election period and since, the Conservative party made ardent declarations about the necessity of safeguarding Canada from the control of huge United States corporations that played a prominent part in United States investment in Canada. I read just a few days ago that the Conservative Minister of Finance appeared in New York to soothe the troubled minds of United States investors assuring them of an open-armed welcome into Canada.

We are not opposed to foreign investment where and when it will be beneficial. Let me repeat that what we need is the planned development of our resources and our industry. This requires control and direction of investment by a national planning board responsible to this parliament of Canada. Because we lack both planning and control in the public interest we have been plagued with uncontrolled inflation. I know for instance that the consumer price index has continued to climb and in August of this year stood at the highest level in Canadian history. The cost of living was one of the principal issues that concerned the Canadian public in the last general election. This matter, however, has been completely dismissed by the throne speech. We are anxious to know why the government has ignored this problem in the same way as the previous administration did.

Of course we know that our Liberal, Conservative and Social Credit friends united to oppose the efforts of this group in the House of Commons to retain the beneficial price controls which we believe are essential to deal with inflation, but it is surprising to discover that the new Minister of Finance should merely suggest that Canadians should fight the high cost of living by saving. Surely the minister should be aware that it is the high cost of living which makes saving difficult, if not impossible.

We have now seen that whenever as a result of defence expenditure or other causes a high level of employment has been obtained inflation has come to the fore unless there were social and economic controls and some economic planning as we knew it during the war. The unplanned economy has always shown this inherent incapacity to maintain both full employment and a stable price level so that today we hear prominent businessmen—indeed the general manager of

the Canadian Chamber of Commerce—suggesting that the question is how much unemployment the people will stand in order to end or control inflation.

We do not believe the tragic wastage of human resources that is involved in unemployment can be supported at any time as a device for combatting inflation. We believe these twin evils inflation and unemployment must be eliminated together by the kind of public planning that was used during the war to put the tremendous productive capacity of this nation to full use. But we should also plan not only for ourselves but to make the world a better place in which to live instead of devoting so much attention as the nations of the world have been doing of late to providing instruments to destroy the world.

I referred to the attitude of some businessmen who have suggested that unemployment should be used to combat inflation. The alarming thing today is that while inflation is continuing—and as I said usually inflation is accompanied by full employment—in this instance we have increasing inflation and at the same time unemployment figures are showing a sharp rise over the figures for this time last year.

There is justifiable alarm in many sections of the country about the situation that might possibly come into being this winter. I think it is important that the government should indicate the steps it is going to take. In this morning's paper I noted that the city council of Toronto is highly alarmed at the sharp increase in unemployment in that city and is approaching the provincial government. The federal authority having control in a large measure of the finance and economy of this country has in my opinion a primary responsibility in connection with the problem of unemployment.

I suppose, however, the steps that will be taken will be nothing more than a modification of what the former government did. We should have an indication of a new approach, evidence of a determination to turn away from the unplanned private enterprise economy that has failed to meet some of these problems that confront this country and the world today.

According to the latest available figures I was able to obtain, those for August 22, 1957 compiled by the national employment service, unemployment stood at 249,000 as of that date compared with 170,000 at the same time last year. As I have said, the newspapers today indicate how alarmed the city council of Toronto is. The city council of Vancouver