

The Address—Mr. Pearson

You will be glad, Mr. Speaker, to know that I am getting towards the end of my bill of indictment but I cannot forego the pleasure and responsibility of giving the house some other examples of confused and muddled policies. Turning to agriculture and fisheries, I hope we will have an ample and adequate early opportunity to discuss agricultural matters. All I will do on this particular occasion in dealing with the confusion with regard to this particular aspect of government policy is to compare the emotional appeals of yesteryear of the Prime Minister for "parity, not charity" with the disillusioning warning of the Minister of Agriculture (Mr. Harkness) in Ottawa and in Springfield, Manitoba, a few weeks ago that if the farmers did not reduce their own production in the face of mounting surpluses, down would go support prices.

Then there are freight rates, so vitally important to agriculture and to all producers, indeed, to all Canadians. On November 25 the government announced its approval of a 17 per cent increase in freight rates to take care of wage increases and we were told that this was necessary to avoid a crippling railway strike. That was a crisis all right but how did it become a crisis?

The question of wage increases for railway employees did not arise last November when a strike threatened and when the provinces appealed to the government against the increase in freight rates which then seemed one way of avoiding it. That problem arose on November 12, 1957, when the demand for a wage increase was first made by the non-operating unions. It assumed a definite form in July, 1958, when the conciliation board recommended a specific increase in wages.

During the whole long period when these negotiations were going on the government must have been aware that ultimately it might be called on to take some positive action to settle the matter. However, nothing was done and the matter was allowed to drift. That drifting converted a problem into a crisis which the government has postponed by granting the kind of horizontal increase it had refused previously and against which the Prime Minister had inveighed during the election campaign a year ago.

Then, having got themselves into this contradictory position, they sought to escape from its economic and political consequences, because this decision would have a discriminatory effect against certain parts of the country, the west and all the Atlantic provinces. They hoped to escape from this consequence by promising—it is in the speech from the throne—some form of subsidy to alleviate this discrimination. So now we have a horizontal

increase plus a proposed subsidy, plus another application from the railways for a further horizontal increase. Where do we go from here?

It is not possible for me to mention freight rates without a reference to one industry—I wish I could refer to many others—which is languishing largely because of freight rates. I refer to the coal industry. Apart from unemployment caused by the Springhill tragedy, we now have a lay-off beginning in February of 4,000 other miners in Nova Scotia owing to lack of orders for coal. We on this side, Mr. Speaker, repeatedly warned the government last session of this unhappy possibility but our warnings went unheeded.

Then perhaps I should not omit to say one word about the Minister of Citizenship and Immigration (Mrs. Fairclough). There has been contradictory thinking between ministers regarding immigration policy, and indeed confusion within the mind of the minister who should be clearest about it. The Minister of Justice (Mr. Fulton) boasted the other night that his government, amongst other things, has saved us from all kinds of trouble by cutting down immigration, but he did this at the very time the minister of immigration was quoting with approval the view that there is little or no connection between immigration and unemployment. They had better get together on that.

Mr. Fulton: It is because we are cutting down; that is why.

Mr. Pearson: They seem to be a little remote from the practical difficulties and dangers of the times.

May I just say one word about art, about this ill-starred venture of the government into the field of art which has brought a measure of humiliation to our country and some very bad publicity. The question here is not whether it is wise or unwise to buy certain pictures for the national gallery; that is not the point. The question is the permitting of a responsible official of this government, and he must surely have had cabinet or at least ministerial approval, to make an offer which was later repudiated. As I have said the results look pretty humiliating in the columns of not only the Canadian press but of the foreign press and did no good for the reputation of this government.

There are other things of the same kind at which I should like to take a look. There is external affairs, but I shall have another opportunity to do that. I cannot, however, refrain from mentioning at this moment the welcome given by the Secretary of State for External Affairs (Mr. Smith) in Seattle to the presence of Red China at a summit conference at a time when the Prime Minister