

D 51867

Liberalism's foremost aim

However short Liberalism may have fallen in achieving these high purposes, Liberalism may at least claim that such has been its purpose in the past, that its supporters have accomplished more in these directions than have those of any other political persuasion, and that such is its foremost aim today. If Liberalism is true to itself, such, throughout the future, as never before, will be its supreme endeavour.

II: THE PROBLEM OF RISING PRICES

D 51868

Let me now turn from the international to the domestic scene.

There is no problem with which, for some time past, the people of Canada have been more profoundly concerned, than the problem of the rise in prices, and the consequent increase in the cost of living. It is not surprising that this should be so. Whatever immediately affects one's home and family is certain to be a matter of personal interest. We all are quick to see and to feel those things which affect our well-being, or make increasingly difficult conditions which are already difficult enough. We do not as readily see beyond the immediate situation to the causes which have created the conditions which affect us. This is particularly true when the causes, in part at least, lie beyond the range of local or national affairs.

Rising prices a world-wide phenomenon

In considering the problem of rising prices, the first fact to be noted is that this problem is not peculiar to our own country. In practically every country, it is the problem of greatest immediate concern to the people. In regard to prices, we in Canada have been more fortunate than almost any other country. That is a significant fact, but it is one we often do not keep in mind.

World-wide shortages have resulted in soaring prices abroad. These shortages have increased the urgent and pressing demands of overseas countries on Canadian supplies. As long ago as January 31, 1946, I gave a public warning that widespread and significant advances in prices might occur, and that when full "decontrol" was achieved, the level of prices might be moderately increased. Unfortunately the recovery of Western Europe has been much slower than was then expected. The bad European harvest of 1947 has created even worse shortages than could reasonably have been anticipated. The pressure of world prices on Canadian prices has correspondingly increased.

Inflationary conditions, and rising prices after a war, are not something exceptional. Nor are they something peculiar to any one country. Inflation and rising prices have been the general rule in post-war periods. In the world at large, the present period is no exception. The most a government can hope to do in any one country is to strive, by as many means as it is in a position to command, to keep inevitable inflationary effects within bounds. Our country is more dependent than most countries upon conditions beyond its borders. We cannot hope to insulate Canada from the effects of rising prices all over the world.

Liberal policy on prices

The government has shared to the full the public concern over rising prices. We have given active and continuous consideration to the measures it was advisable to take to meet the situation. On Thursday last, the Minister of Finance announced steps which were being taken immediately to check the rise of certain prices which the government felt had gone up unduly. Tonight, I intend to announce additional steps in the government's policy.