Government, except that they served to accomplish the unimaginable—they have made an impossible situation worse.

The Economic Council of Canada warned this week that the nation's economy is falling short of its economic growth potential and that immediate steps should be taken in order to lessen fiscal and monetary restraints.

The council considers our unemployment rate as unacceptably high and claims that our economy is faced with a number of ominous uncertainties that make it well-nigh impossible to forecast trends. The uncertainties the council refers to are such matters as tax reform, the general economic slowdown, frightfully high unemployment, persisting price and cost increases, high interest rates and troubled financial markets, depressed profits, protracted labour-management disputes, and serious difficulties in the wheat economy of western Canada.

Not only has the economy fallen far short of its growth potential, but the council asserts, "A quick return to potential is not feasible."

It advises the federal Government to loosen further its fiscal and monetary restraints because of the "time lag" between when the action is taken and when its effects will be felt in the economy.

The council also informs us that the bleak employment picture in Canada will worsen during the current decade unless a "high employment" economic system is devised. Under current conditions, the new jobs available will not even come close to matching the anticipated growth in the labour market.

No one would question the Montreal *Star's* devotion to the Liberal Party and to the Government. That is why it was especially interesting to read an editorial which appeared there on Monday. I quote:

> The fact is that three months of relative price stability have been purchased at an unacceptable price in economic stagnation and individual hardship. None of the modest expansionary moves taken to date would indicate that the government has fully grasped that point.

Even the party faithful are annoyed and exasperated. A situation has to be pretty grim for that to happen, and this one definitely is grim.

This Government must develop policies that will enable the economy to achieve its full productive potential in the coming years. It must close the gap between actual and potential performance as soon as possible—to begin to reduce the significant human and economic costs of high unemployment—bearing in mind the need to maintain reasonable stability in prices.

In a related field, that of regional disparity, the Government sanctimoniously reiterates its concern and its good intentions. I have failed to notice any tangible results from the policies this Government has devised and applied. Dissatisfaction is rampant; few can be found who are satisfied with what has been or is being done.

The same can be said of the non-solutions in the area of urban affairs. The problems here are acute and require drastic and immediate solutions. But this Government has only now decided to give a minister the task of looking into this question.

In the field of housing, the Government has proven that it is incapable of keeping up with the demand, and none of the projects which it presently holds so dear augurs at all well for the future.

Pollution is another festering sore in the treatment of which the Government has taken only very timid steps which hold little, if any, promise of worthwhile results in the proximate future.

In the fields of external affairs and national security, the Government's review of its policies has, again, as in so many other areas, created confusion on a gigantic scale. In support of this contention I need only mention our NATO policy.

Very little was said in the Throne Speech with regard to international trade. Canadians want to be assured that they will have their part in any world-wide system of trade relations. We wish to benefit to the maximum from that which can accrue to those who avail themselves of imported goods which can, at times, be cheaper and better than our own.

The majority of us realizes that if international trade is to profit us in the long run, it must be extended to cover many countries and not only the few with which traditionally, for emotional reasons or because of geographic proximity, we have traded. Also, we are fully cognizant of the fact that this trade must afford us some security and end up profiting our export industries.

We are now in a state of limbo as regards trade. Unless we are wary and pay more attention to trends, we could well lose our position by default. The present Government seems content to slip unresistingly into the embrace of larger trading nations. It has done next to nothing to ensure Canada a place in the markets of the expanding European Common Market, and does not really seem interested, even now.

I would hasten to point out that these European markets might be just as good as, if not better than, that Asiatic market the Government has tried to protect by recognizing Red China.

Canada must continue its trade with the United States, a large and a very good market for most of the goods produced in our country. But we must not stop there. We must aggressively pursue the possibility of expanding our trade elsewhere. All opportunities must be explored. We have referred to the European Common Market, but we should add the Caribbean area, the West Indies and the newly emerging nations of Africa. All the activity in exploring new trade channels should not, however, come at the expense of ignoring those already established.

The private and public sectors must work together in this field. The Government could do much more in the way of providing information concerning the opportunities for Canadian industrialists beyond our continent. We feel certain that private enterprise could take it from there, and to everyone's benefit.