

The Address—Mr. St. Laurent

we shall have the courage, as we had then, to take it and to carry it to its full implementation.

I should like to close by calling attention to an editorial in the *Montreal Star*, because it is not everybody in Canada who has this gloomy view of what this year 1950 portends because it happens to be a year when the affairs of the country will be under the direction of a Liberal government. The article is entitled, "1950, A Year of Adjustment". This article appeared in the *Montreal Star* of February 17, and it reads as follows:

The probable pattern of future parliamentary debate can be seen more readily in the pre-session speeches of opposition leaders than in the studiously colorless language of the speech from the throne.

Perhaps it was studiously colorless because we did not think the occasion required any flamboyant language. The article continues:

It can be predicted therefore that the storm of criticism shortly to descend on the government will concentrate on two points—the rise in urban unemployment and the decline in farm prices.

It is important not to add fear to the factors which contribute to any period of adjustment, for fear can induce declines greater than the basic economic situation calls for.

We know from experience that fear added to the motives which induced the pulp and paper companies to reduce their cut of pulp-wood substantially during the last season in spite of the fact that their sales are at higher levels than ever before. The article continues:

A pendulum swing can be created instead of a minor oscillation. For this reason it may be hoped that the public will keep its head when the oratory starts. We have had rising employment and rising farm income every year now since 1939. The Bank of Canada statistics show that we have safely absorbed our increase in population and that the actual net production of wealth has been steadily going up.

Without minimizing the difficulties that arise from unemployment and lower prices, it is important to remember that things are not going badly with Canada. There is no reason to doubt the fundamentally optimistic statements in the speech from the throne. Judged by any reasonable standard, 1950 should be a pretty good year.

On the other hand, it would be idle to play ostrich and pretend that there are no clouds on the horizon. There are. Canada remains fundamentally a country built upon its export trade. Its farm and industrial capacity both are far greater than any required for domestic needs, and the international trading world is in a sorry state. The first stage of post-war reconstruction has been completed. Production is rising steadily and this means stiffer competition in export markets.

On top of that is the basic difficulty in creating a sound balance of international accounts. The world is being divided into trading blocs, and the Canadian position in it is obviously an uncomfortable one. We buy in one bloc, and we sell in another, and there is no quick solution for this problem. Very slowly certain new trends and patterns of trade are being established but this involves transition, and that kind of change is not easy to effect.

[Mr. St. Laurent.]

It is, we think, in the light of that basic fact that the government's policy should be judged. We are not likely to see introduced into parliament any fine, new, permanent cure-all of our difficulties. More likely we will see remedial measures of one kind or another, and these should be judged by special standards. On the one hand, do they help us over an immediate hurdle? On the other, do they tend to create a situation which will make eventual solutions more difficult of attainment? If the answer to the first question is, Yes, and the answer to the second question, No, it would be rash to reject them.

The situation is one that calls for moderation in both policy and the criticism of it. The impatient prince in ancient days who complained to his tutors that they were making him work too hard was told that there was no royal road to knowledge. There is no easy, royal road to a stable and prosperous world either. We must work our way along it, step by step.

I think we shall take the proper steps during this session of parliament.

Mr. M. J. Coldwell (Rosetown-Biggar): May I, Mr. Speaker, join with the Leader of the Opposition (Mr. Drew) and the Prime Minister (Mr. St. Laurent) in congratulating the mover and the seconder of the address. I think it is always well and acceptable to the house when two young men, recently come into this chamber, are given the honour of making this motion. It is both a privilege and an honour to be selected for this purpose, and I congratulate them.

With most of the criticisms made by the leader of the opposition this afternoon I find myself in agreement. Last session we had before us the matter of the flour-milling report and it was discussed fairly thoroughly. We raised the matter first because we discovered that the report had not been made public. Consequently I agree with the criticism made by the leader of the opposition this afternoon with regard to that episode. The same thing, of course, applies to the rising unemployment, the loss of markets, the lowering of farm prices and so on. Because of the fact that my time is limited by the rules of the house I propose to deal with only two or three matters this evening. Before I do so, however, I want to comment on the omission from the speech from the throne, which we immediately regretted, of any reference to old age pension legislation. It is true that a resolution to set up a committee of both houses of parliament to review old age pension legislation and to consider the means test has been placed on the order paper by the Minister of National Health and Welfare (Mr. Martin). As the Prime Minister has just indicated quite clearly, this matter has been under discussion in this house for a good many years. In fact, largely owing to the efforts of the first leader of the C.C.F. movement, Mr. J. S. Woodsworth, the first old age pension bill was introduced into this chamber