

French down my throat" dare beyond redemption; most would be unable to assimilate another language because of their attitude. I believe the hope lies in the future generation. One of the most welcome aspects of this Speech from the Throne is the suggestion that the government, as part of the long-range plan, is going to attempt to provide greater support for the education of young people in the two languages of Canada.

Hon. Senators: Hear, hear.

Senator Perrault: Of course, in the short term we need appropriate measures to enable Canadians, where numbers warrant, to do business and speak to the federal government in French or English anywhere in this country. I am pleased that this kind of approach is outlined in the Speech from the Throne.

I know that some critics will say, "Well, why didn't you pursue different language policies originally?" The whole "journey" involved in establishing working bilingualism in the federal service has been an adventure and an experiment not without difficulties, mistakes and hazards, and I am proud to be part of a government able to say, "There is such a thing as a second look", a government able to say, "We are willing to make changes and to improve our policies."

Honourable senators, there are many subjects covered by this Speech from the Throne, but much of the Speech hinges on the subject of economics. Unless we have a prosperous country, an economically viable nation, able to provide economic opportunities for our people, Canada's future cannot be a good one. For this reason I should like to direct most of my remarks this afternoon to the state of the economy and the anti-inflation program.

As the Leader of the Opposition reported earlier, we had a demonstration against the program in front of the Parliament Buildings this afternoon. The anti-inflation program is just about one year old. It may be worth while to recall the conditions that existed twelve months ago, and why an offensive against inflation was thought by the government to be necessary.

A year ago double digit inflation, something like eleven per cent, was threatening the capabilities of the Canadian economy to grow and to create jobs for Canada's growing labour force. You will recall the many meetings that took place in 1975. You will remember the earnest effort made by this government, from coast to coast in Canada, to meet with business, labour, management, the professions, agriculture, the cooperatives and credit unions to discuss with them the problem of inflation. I can report to you that there was a unanimous view by them twelve months ago that important, effective and strong action must be taken to halt inflation, or we risked Canada's economic future.

● (1500)

Senator Flynn: Well, it was the same thing two or three years ago.

Senator Perrault: Business, labour and agriculture, all the sectors of the economy, expressed this view in these consultations which took place between government and the various

sectors early in 1975. Some of you may have participated in arranging those meetings, or even attending some of them. The discussions were about the prospects of runaway inflation. Urgent efforts were expended to bring about a system of voluntary restraints. For a number of reasons, it was not possible to achieve this program of voluntary restraints. However, one profound fact emerged, and that is that Canadians everywhere agreed that inflation threatened the economy, their personal well-being and Canada's competitive position in the world. So the question was this: Who would provide leadership? Without voluntary restraints, the leadership, obviously, had to come from the federal government. There were no other volunteers to be first in the fight.

I remember a telephone call that I received from the Prime Minister's office about one year ago. The message was, "You had better eat your Thanksgiving dinner early, because we have an important meeting of cabinet on Monday and there are some disturbing economic facts which must be dealt with." I know that our friends in opposition could say, "Well, that Thanksgiving you Liberals ate crow instead of turkey," but the fact is that when we sat down in Ottawa, Mr. Leader and honourable senators, this was the essence of the situation: We had virtually a zero increase in Canada's productivity; we had an 11 per cent growth in inflation; and on the desk were wage demands for one-year increases of 30 per cent, 40 per cent, 50 per cent, and up to 75 per cent. The message was clear to the members of that cabinet, that despite possible political penalties, Gallup polls, or popularity, any government failing to act in face of that kind of devastating information would be culpable in history of criminal neglect.

Some Hon. Senators: Hear, hear!

Senator Flynn: You should have said that to the electors in 1974. It means about the same thing.

Senator Perrault: Senator, may I remind you that Sinclair Stevens, the economic critic for the Conservative Party in the other place, made a statement in early 1975 in which he said that the economic conditions which prevailed in 1974 were totally inappropriate for the imposition of controls which were proposed by the official opposition at that time. He went on to say that the situation had changed in 1975. That was the economic spokesman for the Conservative opposition in the other place speaking.

Senator Flynn: He is not the only one.

Senator Perrault: He had a lucid grasp of the situation.

Senator Flynn: Well, I value my own opinion as much as his.

Senator Perrault: You have your own opinion, but the economic expert which that party so assiduously recruited to its ranks to provide them with economic guidance differs with your economic views. Well, let me tell you this, that measured in political terms a call for restraint is no way to improve a party's position at the polls. Indeed, one great work entitled *Freedom, Welfare and Inflation* by a great, small "l" liberal economist, said that the disconcerting fact before all governments determined to fight inflation is that they often win the