

What is indeed alarming is that the Government appears to take the document seriously as a Speech from the Throne and actually believes that this barren essay, this frank admission of an inability to cope with serious problems, is an adequate way to launch the country into the decade of the seventies.

The present administration has had close to a year and a half to dispose of legislation left over from the Pearson administration. It takes a great deal of culinary artistry to prepare leftovers in such a way as to make them palatable. This Government is not about to have conferred upon it any "cordon bleu".

This second session of the present Parliament should display clearly what the term "Just Society" entails. Would anybody be surprised to find that it was just another of those meaningless political slogans?

What the people of this country were expecting was a Throne Speech that would have provided an agenda for action, an unequivocal statement of priorities, and an untempered expression of the concerns of national government. Instead, it is clear the Government plans to while away the session in a leisurely, academic discussion of a veritable blizzard of white papers. The Government might be said to be "dropping out" for a year.

There is not a word in the Throne Speech about overall national development plans for the future; not a word about education, training, or opportunities for individual development.

The Canadian people are tiring of the cheap excuses this administration has proffered for its lack of decision and direction. The heap of confusion that this Government inherited from the previous one should have been disposed of long ago. As for the second popular excuse, that nothing far-reaching can be undertaken in the present state of the economy, I would never have thought this administration would have had the temerity to offer such a justification for inaction.

This Government is just as guilty as that which preceded it of allowing the economy to get out of hand. The fiscal myopia which characterized the Pearson years obviously proved to be contagious.

The Liberals, since they took over the reins of government six years ago, have gone through three Ministers of Finance—each one more obtuse than his predecessor. They have consistently misread the state of the economy, mistimed their economic policies and, in most

[Hon. Mr. Choquette.]

cases, aggravated rather than solved our economic problems.

For nearly five years the governments of this country have employed measures designed to encourage inflation. Their own expert consultants warned them that they were courting disaster. The warnings went unheeded and the result has been rampant inflation. Why waste the taxpayers' money hiring expensive advisers if you have no intention whatsoever of listening to them?

The Economic Council of Canada has warned this Government that its anti-inflation policies of fiscal and monetary restraint could plunge us into a recession because the policies are essentially aimed at the wrong targets. I quote from the Economic Council of Canada report:

Further fiscal and monetary restraint could conceivably result simply in higher rates of unemployment and economic slack with no more than marginal effects on current rates of increase in prices and costs.

The Economic Council has pointed out that the inflation which presently afflicts us is more in the nature of a cost-push than a demand-pull. The distinction becomes important when one is contemplating the degree of severity to employ in monetary and fiscal restraints to control inflation.

Cost-push inflation is primarily caused by excessive wage demands. More consideration must be given, therefore, to controlling the wage spiral than to raising taxes, reducing government spending and tightening credit. The Government, however, instead of trying harder to convince labour unions to be more reasonable in their demands has chosen the other course. It has intensified its monetary and fiscal restraints rather than follow the advice of the Economic Council. The result will be an inevitable drastic increase in unemployment.

It is callous indeed to fight inflation by having recourse to the deliberate creation of unemployment. It is tantamount to wilfully creating a frightful mess, then having someone else clean it up.

Rather than insensitively forcing people out of work, the Government should concentrate on steering the economy into a smoother continuing pattern of demand growth. Some sort of coherent system for establishing national priorities must be devised to replace the present haphazard approach.