

obviously not striving with marked dispatch towards the attainment of that so-called "just society". Rather, it is making certain insignificant and ineffectual attempts to correct the result of its fiscal and economic policies, which have necessitated serious belt-tightening for the great majority of our citizens. Who is better off today, financially speaking, than he was in 1968? Members of the Special Committee on Poverty, who have been practically all across Canada, could give you a very quick reply: "Nobody, absolutely nobody!"

A new start should be made on tax reform. We should attempt as soon as possible to alleviate the tax burden presently resting on the shoulders of those who can least support it. There is no need to wait for the perfect piece of taxation legislation, for that may be too long in coming from this Government. We should strive for realistic reform based on a judicious comparison of our rates with those of the United States. There is no valid reason why it should be more expensive to be a Canadian than to be an American.

Prosperity and the development of Canada and all Canadians require economic growth. The two main ways in which growth can be achieved are through the maximization of profits, hence the creation of new capital, and through the maximization of the generation and use of talents. Profits are the costs of the future, and business is able to create capital through the maximization of profits more easily than the Government can.

Hence, more rope ought to be given the private sector, and the public sector should limit its interference in the economy because:

1. No government has ever been able to demonstrate that the public sector can invest more efficiently than the private sector;
2. Governments have no yardsticks with which to measure performance;
3. Governments are unable to change and adapt to change (they cannot abandon economic activities);
4. Governments are not innovative;
5. The public would not be allowed to maximize the use of its talents;
6. Government costs must be higher due to the fact that every dollar must be accounted for;
7. Governments are not geared to taking risks.

Growth requires mobilization and maximized use of the talents of the whole country. We must encourage people to take risks, to increase their talents, to stay in Canada and work towards achieving a prosperous growing and viable economy. We should promote repatriation and importation of talents where we are lacking. But especially should we strive to create an economic climate which is attractive to talented people.

The Speech from the Throne, of course, mentions inflation and acknowledges very graciously that we are faced with a serious degree of unemployment. In an effort to fight inflation, the Government announced last year that it was adopting an austerity program which would result in practically maintaining the present level of its

spending, while at the same time achieving a substantial surplus at the end of the fiscal year 1970-71. Well, the Minister of Finance last week made a speech in which he acknowledged that the Government will spend more than anticipated this year, and at the same time collect less in taxes. This means that the anticipated surplus will be changed into a resounding deficit. The Government had been warned that our present inflation was not of the classical variety, and that the classical remedies simply could not be expected to cure the situation. But warn as you might, such arrogant disdain is impervious to good advice.

With regard to unemployment, the only thing the Government forecasted which has turned out to be true is the increase in the number of the unemployed. The present rate is about 6.7 per cent of our labour force, and it is expected that before the winter is over 750,000 persons will be without jobs—more than 7 per cent of the labour force. During July, we paid \$43.9 million in unemployment benefits, up from \$41 million in June and \$25 million in July, 1969. The proportion of people who have been on unemployment insurance for more than six months rose to 23 per cent from 15 per cent a year ago.

These figures, honourable senators, do not come from what we used to call, in the years 1958 to 1963, the "Martin Bureau of Statistics". They are official, and it is an interesting exercise to surmise what the Leader of the Government (Honourable Mr. Martin) would do with these figures and would say about them and about the government in power if he were presently sitting in my place.

Honourable senators, permit me to quote from *Hansard* of the other place:

It is significant that while unemployment in August was below the total for the previous year, it represented 4.8 per cent of the labour force. That figure should give no one cause to gloat.

The problem, the same—unemployment; the speaker, Paul Martin, Member of Parliament for Essex East; the year 1961.

I always marvelled at the way some members of the present Government who were around in the Diefenbaker years could, from the safety of their opposition seats, wax so indignant about unemployment rates of 4.8 per cent. I wonder just how they feel when their party, having been in possession of the reins of power for some seven years, finds itself hard pressed to keep the unemployment rate below 7 per cent. I am sure these same gentlemen, given half a chance today, could bend our ear for quite a while on the difference in circumstances; but, sadly enough, no one would pay much heed, for everyone is fed up with the rationalization of some politicians on unemployment.

The only ray of hope in this whole sorry economic mess in which we find ourselves these days lies in the fact that the interest rate has slowed in its upward climb. But again, if we compare the present economic and fiscal situation with that which prevailed two years ago, what can we say in favour of the measures employed by the