Legislation Respecting Railway Matters country, we want to know what it proposes to do about restricting consumer prices.

Some hon. Members: Hear, hear.

Mr. Douglas: What does it propose to do about restraining undue profiteering? Are dividends and profits to continue to spiral while wages are to be frozen at some level determined either by parliament or some tribunal appointed by the government? We are prepared to facilitate an early discussion of the government's legislation, but on the distinct understanding that we will also discuss the much wider problem of the economic situation in Canada which has produced this railway strike right across our nation.

We will expect, and I think we have a right to expect and the Canadian people have a right to expect, some statement from the Prime Minister in the course of the next few days with respect to what the government's policy is regarding the steadily mounting cost of living. We think we are entitled to a statement from the Minister of Finance with reference to fiscal policy and the changes in his budget which are necessary in view of what has happened since he introduced his last budget. If the Minister of Finance is convinced that there are inflationary pressures and that there must be some restraint in the economy in order to prevent an overheating, this parliament has a right to see that the restraint does not fall solely upon one section of the Canadian people; this parliament has a right to demand a fiscal policy that will make for a fair and proper distribution of income in this country.

We have the right to insist that the Minister of Labour introduce legislation, while we are here in the next few days, to implement the recommendations of the Freedman report in order that these men who are on strike and who in the last eight years have been adversely affected by technological change will be assured that there will be some consultation and some amelioration of the condition of those replaced as a result of automation. We have a right to expect from the Minister of Transport a clear statement of a sane transportation policy. When I say a "sane" transportation policy, I do not mean an abandonment of responsibility by the government; nor do I mean turning the Canadian people, and particularly the Canadian shippers, over to the tender mercies of the railway companies.

[Mr. Douglas.]

August 29, 1966

I think volume 3 of the MacPherson report was brought down in July 1962. The government has had ample time in which to outline a policy that would make it possible for the railways in this country to operate efficiently and at the same time pay their employees wages that are commensurate with the wages paid in other sections of our industry.

Therefore, Mr. Speaker, we are prepared to be as co-operative as possible, but we make two clear conditions. One is that we shall insist upon adequate time to study and examine both pieces of legislation which the Prime Minister has indicated will be brought down. We have no intention of allowing the psychology of crisis that is being built up to stampede or bully us into agreeing to legislation which will have a detrimental effect upon the Canadian people and will operate adversely to the interests of the railwaymen and their families across Canada.

Our second condition is that in addition to the legislation which the Prime Minister has announced, and concurrent with it, we want some statement from the government with respect to the measures they will bring down to deal with the underlying causes that have produced this unfortunate situation. Unless the government does this, any legislation they can introduce now will not solve the problem. will not necessarily end this strike, and will certainly not prevent other strikes in other segments of the economy. The time has come for the government to end government by diplomacy and evasion. The time has come for government by leadership and courageous action.

Some hon. Members: Hear, hear.

Mr. Douglas: The time has come for the government to deal with the root causes instead of doing what they are asking us to do now, merely put on a patch which will blow off in the course of the next few months so that parliament will be facing another crisis in the matter of the next few weeks or months.

I cannot emphasize too strongly that in our opinion this situation is only part of a much larger economic problem, and unless parliament is prepared to grapple with that problem we will not have solved anything; we will only have postponed the evil day.

• (3:20 p.m.)

[Translation]

Mr. Réal Caouette (Villeneuve): Mr. Speaker, we are called for an emergency