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LEADER OF THE OPPOSITION, AT THE JOINT MEETING OF THE MEN'S
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There is no need to remind this audience of the serious economic situation which today confronts Canadians. For two years, our rate of economic growth has been only half that which was recommended as essential by the Economic Council of Canada. We are in the unusual situation in which the rates of both inflation and unemployment are high, and continuing to rise. The rate of business investment has slackened, and there is a general and a genuine atmosphere of uncertainty.

The government has been severely criticized for policies which all the Opposition parties agree have contributed to uncertainty. Three weeks ago, a government proposal to increase taxation was rejected by Parliament on the grounds that it was inappropriate to the present requirements of the Canadian economy. Now, a new tax measure is before Parliament. It is, as you would know, a measure to which the Official Opposition is opposed.

We have agreed to support the proposal for a speed-up in the rate of tax payments by corporations. That will yield some \$240 million in the next fiscal year, and will leave \$150 million to be found in other ways. In our view, the proposal for a speed-up is less inflationary than the proposals to increase taxes, as the speed-up does not increase corporate liabilities.

We believe the proposed new increases in corporate and income tax would contribute to inflation and unemployment, at a time when both must be arrested. In a time of lagging growth and rising costs, we believe Government policy must prevent, and not promote, inflation and unemployment.

And, as I suggested during debate in Parliament on Thursday, there are other ways to find the \$150 million which the proposed tax increases would yield. We believe this government is too ready to resort to increased taxes. There are alternatives, which could contribute positively to the development of greater confidence and increased growth in the economy.

The first alternative would be for the Government to set aside its plans to repay refundable corporation taxes before the repayment is due. Those taxes were levied some two years ago, on the understanding that they would be repaid not later than 36 months after the time of borrowing. This means that the Government is not bound to repay them until May of 1969. In our view, it is better to defer those payments than to increase corporation and income taxes now.

That would strengthen the Government's cash position by some \$100 million in the next fiscal year.

The second alternative is to try a little harder in the policy of restraint.

Surely, in a budget of \$10 billion, the Government can find another \$50 million by vigorously cutting back on expenditures.

This Government, after all, was able to find money enough to introduce a program of Medicare, despite the objections to that particular program by eight provinces, representing more than 90 per cent of the population.

And they were able, last week, to find an additional \$75 million worth of expenditures they could do without, after the defeat of the first tax bill, and despite their claim in November that expenditures had been pared to the bone then.

There is, therefore, a real and deep difference of opinion as to the policy that is best suited to stimulate an economic recovery now. The Government wants to increase taxes. We are prepared to allow them to speed up collections from corporations, but we think the tax increases are neither necessary nor appropriate. We are opposed to the tax increases on economic grounds, not political, because we believe that the important priority now is to establish an increased and realistic rate of economic growth.

I know that you, and other Canadians, are interested in these matters. Indeed, I have been talking about the long-range issues of economic growth and national unity since September, when I was elected Leader of my party. With my colleagues, within and outside the House of Commons, I have been working to make our party more effective in dealing with these problems. And I will be returning to these discussions of our economic requirements tonight, when I take my place in Parliament.

But today, before this audience, in this city of McLuhan, I want to talk about another development, which may prove more important than a single tax bill, and which certainly requires the attention of Canadians.

We are entering into a set of domestic and international circumstances which differ greatly from those we have known. The conference on the constitution -- the general willingness to work out more satisfactory arrangements within Confederation -- the Kennedy Round of trade negotiations -- the growing recognition of the implications of technology -- all these are evidence of changed circumstances which have already begun to confront Canada. Our policies must reflect these changes. We must be able to meet the different kind of challenges of a different kind of world.

But it is not enough merely to be contemporary in our policies. Our political processes must also be adequate to meet the special strains of a modern age.

I am relatively new to Parliament, although not to its traditions. It is clear that Parliament today is passing through a critical time. There is the necessity to reconcile the rights of the private Members to represent his constituency with the growing necessity to deal with public business in an efficient and an expeditious way. This problem is being worked on now, by a committee studying the rules of this and other Parliaments, and members of the committee seem to be optimistic about the progress they are making. There is the related question of reconciling the rights of the individual citizen with the requirements of big government. Parliament stands as the final safeguard of the rights of the individual, and must be able to make its protection effective.

These problems, of course, must be worked out within the House, but their importance extends to the country at large.

There are many things that we must do in Canada. An audience like this will not need a list of our opportunities, or of the difficult decisions we soon must face. To realize these opportunities, and to reach these decisions, our system of government must be strong and respected. I am convinced that we, in Canada, cannot have an effective government unless we also have an effective Parliament. In a very real sense, the quality of government in Canada depends upon the quality of Parliament. Parliament must be a place to which able men will come -- and able men will come to Parliament only if there is important and meaningful work for them to do.

Therefore, it is important to us all to ensure that Parliament becomes stronger and more effective as the focus and the central instrument of the Canadian democratic process.

I want to suggest a series of developments which have the effect of restricting the full performance by Parliament of its essential functions. Some of these developments have become imbedded in our system; some others are less than five days old.

The more severe restraints on Parliament have arisen since the war.

One of them is the simple size of Government. The federal government in Canada spends more than \$10 billion a year. It employs millions of Canadians, and pursues hundreds of programs. As the scope of government has grown increasingly complex, there has been no corresponding improvement in the facilities of Parliament to assess the effectiveness of government programs. It is not a cure-all, but one corrective step that

must be taken is to improve the status and the staff of the individual Member of Parliament, perhaps by bringing his facilities more in line with those enjoyed by the Congressman in the United States.

It is natural that this expansion in the sheer business of government would tend to encourage the view, among ministers and civil servants, that Parliament is something of a nuisance. Instead of being the centre of the system, it can come to be regarded by a busy government, as a troublesome source of interference. A Government which does not respect the purpose of Parliament will naturally seek to circumvent its powers.

Now it may be that Parliament has sometimes seemed to be obstructive. But there has also been the tendency for the government to increase pressure upon Parliament by trying to inflame the public against their legislators.

A much less deliberate but growing intrusion upon the traditional powers of Parliament has resulted from the new importance of federal-provincial and international agreements negotiated by the government and presented to Parliament as faits accomplis.

We have a federal system in Canada, and divided jurisdiction between the federal government and the provincial governments. In recent years, agreements of various sorts have been negotiated at an increasing rate.

This has meant, more and more, that Prime Ministers have come to Parliament, and Premiers have come to legislatures, with agreements

that-have already been made.

To an increasing, and perhaps an inevitable degree, the locus of decision has swung from the House of Commons to the federal-provincial conference room. There is a growing roster of matters -- most of them concerning financial arrangements -- to which Parliament -- whose final sanction is its control of funds -- has only the power to ratify or reject.

Again, in terms of international relations, the world is growing smaller, and our international dealings becoming more frequent and more complex. Consequently in the international area as well, we can expect an acceleration in the number of agreements, treaties and the like.

Despite the contrary evidence, the present Secretary of State for External Affairs did not create the aura of mystery surrounding our international relations, although certainly he is not guilty of relieving it.

We practice what is called "Quiet Diplomacy." Most of our important international decisions are reported to Parliament only after they have been made, if then.

The agreements of the Kennedy Round are now before Parliament. They vitally affect every Canadian, and every part of Canada. I am not suggesting here that these agreements are harmful to Canada, but merely make the point that they were framed, necessarily, away from Parliament.

Let us review the situation.

It is possible today for the Government of Canada, working with various partners, to change the nature of our constitution ... to change the distribution of revenue and revenue sources ... to enter into international commitments of literally incalculable consequence ... and

to establish trading arrangements which could determine forever the nature of Canadian industry and development. This can be done without having any consensus or discussion in Parliament until the country is virtually committed.

These developments perhaps can be accepted as an inevitable consequence of government in a complex age. But clearly, to the extent that it is possible to do so, Parliament should be consulted in advance about the questions of policy involved.

Now, there is a striking new development.

Three weeks ago, after the Government had been defeated in Parliament, the Prime Minister asked the House of Commons for a 24-hour adjournment, and 90 minutes later launched a defence of his Government over national television.

Again, last Wednesday night, the Minister of Finance called a press conference and, 75 minutes after Parliament had risen for the day, announced his new proposal to increase taxes. Later that night, he too went on national television.

In both cases, the Prime Minister and the Minister of Finance chose to by-pass Parliament, and take their case directly to the people.

There is nothing wrong with going to the people. Indeed, it is a course that I have suggested to this Government on more than one occasion. But in our system of responsible government, if Parliament is sitting and the government has business to announce, there is a prior responsibility to bring the case to Parliament first. If that is not done,

if debate in Parliament is to be replaced by monologues on television, then one more blow has been struck at the power of Parliament.

And this interference with Parliament is different in nature from the others. In the former instances, it was a change in the nature of government business that caused a reduction in Parliament's power. In the case of television, the cause was a change in the nature of a medium of communication.

We can expect an increasing reliance upon one-way communication of government policy to the people, and an increasing inclination to by-pass Parliament.

For the Government to by-pass Parliament, and go directly to the people, is to weaken popular control of government, not strengthen it. How is a television audience going to stop a Government from passing a bad bill? What limits can an audience impose upon an ambitious and insensitive bureaucracy? Most crucial of all: What power has an audience to act?

If Parliament is weak, the power of Canadians to control the Government between elections would be indirect and limited, unless we come to insurrection. If Parliament is weak, the power to make decisions is surrendered to the bureaucracy, and the power to question decisions in effect becomes suspended. If Parliament is weak, we are all less free.

Clearly, if the important debate is taken out of Parliament, Parliament will be weak.

It will then become difficult to encourage the best men to enter politics as candidates for Parliament. Why should they sit in the House of Commons if all the action is going to be on television?

There is another dimension to all of this. In the words of the great parliamentarian, Edmund Burke:

"Your representative owes you, not his industry only, but his judgment; and he betrays, instead of serving you, if he sacrifices it to your opinion."

If the government is to use television to shape public opinion on measures that are subsequently to come to Parliament, they will create pressures which make it difficult for the private Member to employ his judgment.

In my view, the need for considered decisions -- for the exercise of judgment -- is more important, not less, in an age of complex public questions. It would be unfortunate if, at this stage in the life of the nation, we were to replace Edmund Burke with Stanley Burke.

I think it is clear that these developments offer cause for genuine concern. What is not as clear is the kind of response that is required.

There have been suggestions that the trend to announcing policy on television would be offset by televising the proceedings of Parliament itself. That is a question for Parliament herself to decide, and there are many Members who would oppose the intrusion of television. For my own part, so long as the presence of cameras did not substantially change the character of debate, I would have no personal objection.

But I doubt that televising Parliament is itself an answer to this other problem. What is attractive about the television studio is not so much the presence of the cameras as it is the absence of a vigorous Opposition, which can challenge whatever the Minister might say.

On television, a Prime Minister can state his case without the inconvenience of contradiction. If he is being interviewed, he still has more control over events than he would in Parliament. Even if the television personalities conducting the interviews are adept and informed, and usually they are, they would find it difficult to provide the range of questions or the sense of combat that can occur when Parliament is aroused. A television studio is more comfortable than the House of Commons.

A central purpose of Parliament is that it is the one place where a critic can confront the government, and demand an answer, and embarrass any Minister who seeks to be evasive. Now, the way is open for a Minister to be evasive while appearing to be frank. In the solitary safety of a television studio he can explain his one side of a story, free of the distractions an informed opponent might provide. The personal confrontation of parliamentary debate is our most effective safeguard against an authoritarian government; the television studio is no substitute.

No reasonable person would do anything but welcome the increased possibilities of improving public understanding through the use of television and other media. The process is obviously to be encouraged, and the recourse to television by Government and Opposition spokesmen, and by independent experts, is in principle all to the good.

But there are special problems. Since they concern the media, and therefore the principle of free expression, formal regulation is virtually impossible. But it may well be that Parliament itself will have to insist that, when the House of Commons is in session, Government measures will be first announced within the House, and not outside.

There is a tendency, too often, to think of the rights of Parliament as being unrelated to our general rights as citizens, or even as being opposed to the effective operation of Government. I believe that the exact opposite is the case. We require a Parliament that is respected and strong if we are to meet the other major challenges of modern Canada. Parliament can and must be the instrument of progress in Canada, and it is therefore of concern to us all that she should be effective.