

*Inquiries of the Ministry*REMOVAL OF TAX ON MACHINERY OF  
PRODUCTION

On the orders of the day:

**Mr. Fred F. Stenson (Peterborough):** Mr. Speaker, may I direct a question to the Minister of Finance. Has the minister received from the Canadian Export Association a report of their 21st annual convention at which there was unanimously approved a resolution that in part stated:

Canadian industry remains dissatisfied with the June 1963 budget measures concerning the sales tax on production facilities.

Second, in view of this resolution and the general concern of Canadian industry about this matter, can the minister assure the house that he is seriously considering the abolition, or at least a sharp reduction, of the 11 per cent sales tax on production equipment?

**Hon. Walter L. Gordon (Minister of Finance):** Mr. Speaker, I do not think it would be proper for me to comment on that question because it might be interpreted one way or another in connection with the budget which may be presented to the house some weeks from now. However, I would remind my hon. friend that business in Canada has never been so active and the country has never been so prosperous.

**Mr. Heward Graffey (Brome-Missisquoi):** Would the Minister of Finance say that to the—

**Mr. Speaker:** Order, please. The hon. member for Peterborough.

**Mr. Stenson:** Although our exports have increased, does the minister not feel our imports are increasing faster?

**Mr. Gordon:** No. On the contrary, exports have gone up faster than imports.

**Mr. Graffey:** As a supplementary question—

**Mr. Speaker:** Order. It does seem to me this question has been explored almost down to its fundamental depths.

**Mr. Graffey:** Mr. Speaker, I would like to ask the Minister of Finance, who makes this kind of statement in the house every so often, if he would say to the 3,500,000 Canadian people, who according to Ontario federation of labour statistics are living in deprivation, poverty and destitution, that the country has never been so prosperous. Would he make that statement to those people, and does he think we have been doing a good job just checking the prevalence of poverty?

[Mr. Gordon.]

**Mr. Gordon:** Mr. Speaker, I did not mean to suggest for a moment that this country has got anywhere close to its potential. We are going to be far more prosperous in Canada if the government is given a chance to get on with the business of the country.

## THE CANADIAN ECONOMY

INQUIRY AS TO CONSULTATIONS WITH  
SASKATCHEWAN PREMIER

On the orders of the day:

**Mr. Richard Cashin (St. John's West):** I have a question for the Minister of Industry. I wonder if he would assure the house that he will be consulting the premier of Saskatchewan, who is now in Ottawa, concerning the great program of industrial development taking place in that province as a result of the change of government in that province.

**Hon. C. M. Drury (Minister of Industry):** Yes, Mr. Speaker, later this morning.

**Mr. Speaker:** Just to complete that question, may I advise all hon. members that the premier of Saskatchewan is in the Speaker's gallery at the moment.

Some hon. Members: Hear, hear.

**Right Hon. J. G. Diefenbaker (Leader of the Opposition):** Would the Prime Minister be able to advise whether there is any foundation for a press report to the effect that the premier of Saskatchewan is asking for assistance for certain areas that are regarded by him to be distressed areas economically?

**Right Hon. L. B. Pearson (Prime Minister):** Mr. Speaker, I had the pleasure of talking this morning to the premier of Saskatchewan when the question of Prince Albert came up, but we decided there was nothing we could do about Prince Albert until the next election.

**Mr. Diefenbaker:** That is another false hope on the part of the right hon. gentleman. I ask him whether the premier of Saskatchewan pointed out certain distressed areas economically; also whether he asked that action be taken to provide something in the nature of acreage payments to meet the position of farmers in that province who find themselves in grave difficulty by reason of crop failure.

**Mr. Pearson:** No, Mr. Speaker; that question may come up later in the day, but I did not have an opportunity of discussing that particular matter with the premier this morning.