

There are those who have lost their jobs and are on unemployment insurance or welfare as a means of gaining an income. There are also those who are still working—that is a very important segment of the population—and being paid but their employment depends largely on the confidence their employers have in the future economy of this country. We must also consider the third group, which is comprised of young people who have just entered the labour force.

It is most important for this House, not just the government, to indicate that we in Canada have a great deal of confidence in this country in respect of the ensuing months and years. If the business community gets the idea that we in this House lack confidence, this feeling will prevail throughout industry and will induce our entrepreneurs and businessmen to restrict enterprise and curtail inventory build-up. As a result, the whole economic situation could become very critical. I suggest that in the next few months the government should enlarge its retraining program by including the many young people who have not been part of the labour force for three years or more. It is essential that we include as many people as we can in this program because their contribution to our economy will be of great benefit.

The government should reconsider instituting a special measure to indicate to our financial institutions that we mean business when we say they must encourage and finance business enterprise, particularly for the young people in Quebec but also those in the rest of Canada, who desire to enter this field. If these institutions fail to give an indication of their willingness to go along with government policy, more severe controls should be imposed. I encourage the government in the program it has outlined to provide employment for young people during the summer months, in pollution control and other fields in which they can become engaged. This is of prime importance.

The Minister of Finance (Mr. Benson) and the Prime Minister are exuding confidence in our business community. We should encourage this attitude. If we can convince our commercial and industrial communities that we are behind them and that we have confidence, I think businessmen will act accordingly. We must convince them that if it takes \$2 billion, \$3 billion or \$4 billion we will put this might behind them even though things do not look rosy. I think then we will be well on the road to recovery. This is what the House should be doing, rather than recriminating about what has taken place up to now.

I commend the government for its thinking and its confidence. I emphasize that it does not matter very much what we say in this house, or whether we take political, partisan viewpoints; we will not be doing a service to Canada unless we get behind the government in this time of crisis by showing confidence in Canada and its people. If we do that, I am sure we will manage very well.

[Translation]

**Mr. Adrien Lambert (Bellechasse):** Mr. Speaker—

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*The Budget—Mr. C. H. Thomas*

**Mr. Speaker:** Order, is the member rising on a question of privilege or on a point of order?

**Mr. Lambert (Bellechasse):** Mr. Speaker, I merely wished to put a question to the hon. member—

**Mr. Speaker:** Order. The time allotted to the hon. member has expired and as several other members wish to speak before the end of the debate, I think that the House would like me now to recognize the hon. member for Moncton.

[English]

**Mr. Charles H. Thomas (Moncton):** Mr. Speaker, the most disturbing aspect of the budget presented to the House in December is the complete failure of the Minister of Finance (Mr. Benson) to recognize the real nature of this country's economic problems, his stubborn insistence that he and his advisers are right and everyone else is wrong and his refusal to admit that this country is now faced with the greatest economic crisis in its history, that is, mass unemployment brought on deliberately by employing woolly, nineteenth century, classic economic theories which are outdated and discredited by most economists. I wish to read from an editorial which appeared in the *Montreal Gazette* of January under the caption "Wrong way Benson". It reads in part as follows:

• (8:10 p.m.)

—the government marches determinedly along the wrong route to recovery. What is wanted are tax reductions which, by restoring a measure of profitability to business, offer attractive incentives to new growth; tax reductions which, by leaving more of the individual's money in his pocket, give him the means to increase his spending.

The Minister of Finance this afternoon laughed off the opposition's suggestions for tax cuts by saying this would cost the treasury over \$1 billion. I say to the Minister of Finance that if he would take some action to get the economy moving again and to produce full employment, perhaps he would recover most of the \$1 billion about which he is worrying today. The editorial continues as follows:

What is presented, instead, is a stubborn insistence that Ottawa knows best how to prime the pump—by spending tax money on public works which provide, at best, only temporary employment and that at the expense of more productive sources of employment.

The editorial goes on to point out that it is time the Minister of Finance and his advisers realized that this country has almost reached its capacity in regard to the amount of money the taxpayer can cough up for federal government expenditures which are doing nothing to increase the economic output of the country. The editorial concludes by saying

Hopefully by spring, when, just possibly, Mr. Benson may be persuaded to do what he should have done in December—cut taxes.

This party has consistently proposed such a course of action. We have been pleading with the Minister of