

*The Address—Mr. Diefenbaker*

passed through difficult times, we are now moving upwards? That is, in large measure, owing to the action taken by this government.

I mention housing. Housing starts reached 163,000, 30 per cent above last year. The Leader of the Opposition asks, "What have you done?" As a matter of fact, it is chiefly owing to this remarkable expansion in housing that the decline in non-residential construction, in plant, equipment and so on, was almost completely offset. In 1958, total capital outlays, private and public, were about the same as in 1957. All of these things are indicative, not of Jeremiahs such as the Leader of the Opposition but the facts that will give to the Canadian people some realization of the fact that while there have been difficulties, and there are conditions that have yet to be met, we are starting back.

As a matter of fact, in tonight's issue of the *Ottawa Journal*—

**Mr. Chevrier:** Will the Prime Minister permit a question?

**Mr. Diefenbaker:** Yes.

**Mr. Chevrier:** Will he give the house the latest figures on unemployment?

**Mr. Diefenbaker:** I will give the latest figures I have; in just a moment I will come to that. Even in tonight's *Ottawa Journal* there is an item which is in answer to Jeremiah's lamentations.

Montreal, January 19.—The trend towards more construction in Canada should continue this year, with a total of perhaps \$7,500,000,000, Harold J. Ball, of Kitchener, Ontario, president of the Canadian Construction Association, said today in an address to the association's annual meeting.

This would be a record, somewhat ahead of 1958's figure of more than \$7,000,000,000.

Mr. Ball added:

"This means the employment of over 625,000 Canadians in construction operations and an even greater number in manufacturing, transporting and merchandizing construction materials and equipment, or supplying services dependent upon construction activity."

Then, on the same page I find the following:

Toronto, January 19.—Construction contract awards in 1958 established a new record of \$3,593,709,200, says Hugh C. MacLean Building Reports.

The total is \$699,541,100—or more than 24 per cent—higher than 1957 and \$166,803,700 higher than the previous record year, 1956.

Just one further reference to the question of trade; some mention was made of the imports to Canada and Canada's balance of trade. In connection with the table on trade for 1958, as I said a moment ago, there has been a very striking decline in the Canadian trade deficit. The decline was largely the consequence of the change in our trade position with the United States. It goes on to point out in that report that the

situation is improving in so far as our trade deficit with the United States is concerned, which the Leader of the Opposition, if he is going to be true to what he said last year and two years ago, will agree was a situation dangerous in its import if continued for any length of time.

Then, you say to me, how about a comparison between Canada and the United States? No amount of argument or equivocation on the part of the Leader of the Opposition can answer this fact, namely that the recession began here in Canada and was under way before it was under way in the United States. I want to compare the course of the recession in those two countries. It can be done very simply. If one wants the facts he should read the reports. Here is a booklet entitled, "Recession in Canada and the United States". It is a statistical comparison issued by the queen's printer, a special reprint from the *Canadian Statistical Review* of October, 1958. This brief study shows that, aided by large scale support from the government, the Canadian economy came through the recession much more smoothly than did the United States. Canadian industrial production fell only one-half as much as United States industrial production during the recession, namely 7 per cent as against 13 per cent. I mentioned a moment ago Canada's gross national product. At the same time there was an increase of 7 per cent in 1958 over the 1956 level, the United States gross national product was only 2 per cent above the 1956 level.

Housing; I have already mentioned the record in that regard in Canada which, compared with the United States, indicates that in the United States the total expenditures for housing were nearly 10 per cent under the level of 1956, and 13 per cent under the record year of 1955. In the United States downward pressures existed in both residential construction and private investment.

What do other countries say about us? The *New York Times* on January 14, 1959 reported the following statement by the chairman of the committee of Canadian investment companies:

The speed and effectiveness with which Canada has moved to counter most of the recessive trends of late 1957 and early 1958 continue to demonstrate the high calibre of leadership which Canada has available to foster her long term economic growth.

Wails and lamentations from the Leader of the Opposition! What about the *Financial Post*? There is a remarkable demonstration of confidence to be seen when one compares business leaders' forecasts in the survey of December 1957 with the similar survey in December 1958. The last survey of December 1958 showed a completely changed mood on