

must be encouraged and must be assured of their share of the national income. I can only hope that the government will find further inspiration in the policies of this party and will venture to do something realistic to support and encourage basic industry, of which agriculture is a most important part.

I have suggested that the government has done little for Canada's primary industries. If this be true, and I believe it to be, the government has certainly done nothing for the secondary and processing ones, for services and for business, which are a second part of our national problem. Nowhere in the budget can I find anything which is constructively helpful to business and industry. I must say this, that both business and industry must have encouragement to carry them through this critical period. We speak of this as a time of reconversion. This is a misnomer. We are not returning to pre-war status, and we shall never get back. We are in the throes of what might be termed a type of revolution. We are moving steadily away from the economic, social and political pattern of the past. The grave responsibility for the direction in which Canada moves rests upon the government. I only wish that I could have more confidence in the skill and knowledge which chart our course. We need leadership as never before. We need a carefully thought out, coherent and coordinated plan, and this government has given us none of these. The government drifts with every wind of temporary expedient to satisfy certain groups. There is no real programme or policy; and this budget is an example of its lack of intelligent planning. In this modern world, with its complexities and interrelated dependencies, there must be a plan to lead us and guide us. Nothing in national planning is of greater importance than taxation, properly used. It touches everyone. But the government is not using it intelligently. As I have already said, it has made only a nominal gesture toward helping primary industry. In fact, I cannot see where it gives any immediate help to industry and business at all.

As I see it at this time, secondary and processing industry, services and business generally, are hard hit and suffering from the unrest and insecurity inevitably attendant upon revolutionary changes in thinking and conditions. However, as good Canadians we must go on producing; our services must be maintained; business must be kept in motion; all must be given incentives to carry on until conditions stabilize.

[Mr. Webb.]

I submit that the budget does not give this help. Instead, it maintains crushing taxation that is unrealistic and paralyzes production. It discourages venture capital, and I believe hon. members all know what I mean by venture capital. It handicaps business and industry against research and development. It is based upon the mistaken idea that all Canadian business has enormous reserves that will more than offset current losses due to the vacillating policies of the government. It would seem that the minister must be bewitched by the oft-repeated assertions of some hon. members who hold that to be a "capitalist" is to be a "millionaire", which, of course, is entirely wrong. This sustained crushing taxation is dangerous in the extreme, and it is made more so—and that is saying a very great deal—by the government's practice of yielding to pressure groups. Production is being paralyzed; venture capital is frozen; industrial growth is a gamble; export development, which is so important to us, is retarded; day-to-day living for individuals is uncertain; prices are rising. These are all directly attributable to the government's failure to have a policy and the courage to stick to it.

Mr. Speaker, I ask you, how can industry and business plan for the future when they do not know, or have no definite assurance of what lies ahead?

It is evident that the government has no real understanding of the situation and that it has no plan or programme. Loyal industry, and essential industry, are penalized. The budget does practically nothing for them. It even takes away the hope of making profits to recover losses.

I maintain that industry and business must have help and encouragement. Their tax burden must be lightened. They cannot go on operating under present unrealistic taxation and price controls. Production is blocked by the government's policies. If we had full production we should have less threat of inflation, because there would be an outlet for available money. There are too few goods for sale to-day. The solution is to have increased production and this solution is made impossible by the government's policies. Lack of production through present policies results in increased production costs, and in labour unrest and unemployment. Once industry and business feel that there is hope for the future; when the government "gives the green light", production will increase and unit production costs will decrease. This will allow business to recover some of its present losses. At the same time—and this is most important—in-