

*The Budget—Mr. Walker*

Essex East (Mr. Martin) challenged the government by saying that the unemployment insurance fund was going to soon run dry and dared the government to attempt to replenish the fund by requiring:

—employers and employees to pay increased contributions on top of the 30 per cent increase put into effect last year.

In other words, my hon. friends advocate one thing and yet in the past they have always done another.

Turning to the question of industrial research I wish to pay a tribute to the Conservative hon. member for Lambton West (Mr. Murphy). Year in and year out that hon. gentleman has insisted in parliament that a great deal of the industrial research done by United States companies should be undertaken in Canada giving employment to Canadians, especially that undertaken by the subsidiaries of these foreign corporations. In vain the hon. member urged the former Liberal government to establish a committee to explore ways of encouraging more industrial research in Canada. The former Liberal minister of trade and commerce, Mr. Howe, brusquely rejected this proposal year after year and urged the voters in the constituency of Lambton West, on the occasion of a visit to that area, to "get that man Murphy off my back". At present, however, the Liberal rally has adopted a resolution urging that which the hon. member for Lambton West has been advocating for ten years.

Another inconsistency relates to the question of national defence. I might respectfully suggest here that the Liberal rally hit the international headlines through the support of our Nobel prize winner, the Leader of the Opposition, of a declaration made at the rally. The hon. gentleman gave his support to the rally's declaration in favour of a creative peace for Canada by withdrawing our forces from the active defence of North America and limiting our contribution to NORAD to air detection, identification and warning; in other words, to reduce Canada's role to that of bird watcher for the United States. But the same Leader of the Opposition told us in his comments in the 1957 debates—and I quote from page 1062 of *Hansard*, volume II—that the establishment of NORAD was:

—considered and, I think, approved by the officers of the Department of National Defence and perhaps by the minister of national defence.

This was while the former Liberal government was still in office. Thus, the decision of this rally, supported by the Leader of the Opposition, is a volte-face from their attitude on the previous occasion.

I will not go into the question of a national flag—that was discussed at great length yesterday—except to quote from the book

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by John Wesley Pickersgill that the question of a national flag was decided by an order in council supported by Mackenzie King on March 20, 1944, when an order in council was passed establishing the Canadian ensign as the national flag of Canada.

**Mr. Pickersgill:** It was on September 5, 1945.

**Mr. Walker:** On September 5, 1945, yes. I guess it was in the entry in the diary of March 20, 1944, when Mackenzie King said:

Before waking, I was dreaming of the union jack. Felt that it could be proclaimed the national flag of the United Kingdom, that the dominions could each have its own distinctive flag as well, with a union jack in the corner to show historical evolution and present association with the United Kingdom.

As the hon. member for Bonavista-Twillingate (Mr. Pickersgill) said:

At caucus a week later, Mackenzie King advised that Canada take the Canadian ensign and accept it at once as her national flag.

And, as he just said, on September 5, 1945 that order in council was passed and the French-Canadian secretary of state, the Hon. Roch Pinard, at page 3216 of *Hansard* of 1955, told the House of Commons:

The red ensign, as recently explained by the prime minister (Mr. St. Laurent) was adopted as a distinctive Canadian flag by order in council on September 5, 1945.

I should like to talk about health insurance also. The Liberal convention, not just this last time but away back in 1919, had as its most distinctive role at that time the advocacy of a national health scheme. Twenty five years later the public were still fooled on that subject. I quote from the "Mackenzie King Record" by the hon. member for Bonavista-Twillingate at page 635, where he said:

The cabinet had never made a definite decision.

But the cabinet then agreed that Mackenzie King should look into the matter. He consulted the deputy minister of finance, and then he confided to his diary that at a time when Canada, with the rest of the world was having unprecedented prosperity:

Frankly, I did not think the treasury could stand it.

Still, years later—

**Mr. Pickersgill:** In the midst of war.

**Mr. Walker:** —when the treasury built up big annual surpluses the Liberal government took no action, when it was in a position to do so. But now, with a deficit of \$300 million, brought about in an effort to solve unemployment, we have the Liberal rally in the face of that advocating at this time the introduction of a national health scheme, regardless of the cost. They do not want