

THE BUDGET

DEBATE ON THE ANNUAL FINANCIAL STATEMENT
OF THE MINISTER OF FINANCE

The house resumed from Wednesday, March 27, consideration of the motion of Hon. E. N. Rhodes (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the proposed amendment of Mr. Ralston, and the amendment to the amendment of Mr. Coote.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, in the course of his speech last evening the Minister of Railways (Mr. Manion) gave a very impressive list of the legislative measures which have been brought down by the government. I think some of us are quite willing to concede that, especially last year and this year, the government have broken new ground, but I submit that the program of the government offers no solution at all to our outstanding economic problems. Hence I agree with the statement contained in the earlier part of the amendment:

—that the proposals submitted by the Minister of Finance on March 22 are entirely inadequate to meet the serious and acute situation prevailing in Canada—

In one point I agree with the Minister of Railways; that is in his appeal to the official opposition to state their alternative proposals. It seems to me the opposition have taken an exceedingly weak position in simply calling attention to the inadequacy of the government's proposals while giving no alternative program at all, merely calling for an election. It is all very well to call for an election, but before the people can intelligently decide any matter at an election they should have a definite alternative program placed before them. The Liberals are not playing fair with the electors unless at this session of the house they state definitely their program.

Apparently once again the Minister of Railways would give the impression that prosperity is just around the corner. I submit that the statement of the Prime Minister in his radio addresses was much closer to the real facts of the situation. It will be remembered that he said:

The truth is disturbing. The world is in tragic circumstances. The signs of recovery are few and doubtful. The signs of trouble are many, and they do not lessen.

If that is true of the world at large I believe it is also true of our own country. The signs of recovery are few and doubtful; the signs of trouble are many and they do not lessen. A review of the situation in

[Mr. Lapointe.]

Canada such as was included in the earlier part of the budget speech would be hardly complete unless it frankly stated that there is continued stagnation in business, notwithstanding the array of statistics that are sometimes brought forth to the contrary. The ordinary man on the street knows perfectly well that he is still on the very ragged edge of things and that the present situation is by no means satisfactory.

We are faced, not merely in this house but also in the provinces and in the municipalities, with mounting debts. There seems to be no way out, and in addition we have a most serious unemployment problem, which is not lessening. Yesterday we had a conference of mayors meeting with a number of members of parliament, when they presented a case—and I think a very strong case—for immediate action on the part of the dominion government. I have no doubt that most hon. members have received from this body a comparative statement of the relief situation in Canadian municipalities in relation to municipal finances. It is not my intention to burden the pages of Hansard with many of the figures therein contained, but I should like to direct attention to one or two significant statements. In a total of some ninety cities and towns in Canada we find there is an average of 16.7 per cent of the entire population on relief. Further, the ratio of relief expenditures in the municipalities to their entire expenditure is 10.3. That is indeed a very serious situation. Then, turning to the gross total of bonded indebtedness of all classes of municipalities we find that Canada with a population of 9,860,400 has a gross bonded municipal indebtedness of \$1,385,071,100, or a per capita of \$140.47.

I believe no one could listen to the presentation made last night by the representatives and mayors without feeling something of a breath of reality that is not very common in this House of Commons. It has become the practice in this chamber to put the best face on matters or, on the other hand, to draw an exaggerated picture of the difficulties into which the government policy has brought us. But here was a group of men representing, pretty directly, as they themselves put it almost half the population of Canada. Some of them belonged to one party and some to another, but they came direct from the people and from actual problems urging that some action be taken. In view of the visit of that delegation, the timing of which I do not think has any political significance, I do not think we can say that the situation in Canada is at all satisfactory. We have the growing debts and