

*The Address—Mr. Diefenbaker*

**Mr. Pickersgill:** What about railway earnings?

**Mr. Diefenbaker:** In the last ten days of the year ending December 31, 1958, carloadings jumped 23.2 per cent to 81,325. It was less during the year and carloadings were down 6.6 per cent but in the latter weeks of the year they reflected the same stimulus that is taking place everywhere and to which reference was made today by the President of the United States in his message. While automobile production was down in 1958 by 2.6 per cent there was a 51.1 per cent rise in December.

**Mr. Martin (Essex East):** And more unemployment than at almost any other time.

**Mr. Diefenbaker:** As a matter of fact the hon. gentleman who interjected will remember he has always been taxed with unemployment in his particular locality and has often referred to it.

**Mr. Martin (Essex East):** That is not true.

**Mr. Diefenbaker:** Oh, yes it is.

**Mr. Martin (Essex East):** There are 14,000 unemployed in my constituency.

**Mr. Diefenbaker:** Mr. Speaker, I have been pointing out that we have passed through difficulties but I remind hon. gentlemen that we inherited difficulties. Oh, they cannot deny it. The people heard the story, and they had the facts and they knew.

**Mr. Chevrier:** The people are getting tired of this story too.

**Mr. Diefenbaker:** I do not wish to convey the impression of placing more reliance on Gallup polls than is proper but I might point out to the hon. gentleman that our position has gained by 3 per cent over what it was on election day.

**Mr. Pickersgill:** Well, it has not in Springfield and Trinity.

**Mr. Diefenbaker:** I cannot hear these interruptions, Mr. Speaker.

**Mr. Pickersgill:** They are just facts.

**Mr. Diefenbaker:** Pardon?

**Mr. Pickersgill:** I just said you were not up in Trinity and Springfield.

**Mr. Fraser:** And you are up a pole.

**Mr. Pickersgill:** And those are the polls that matter.

**Mr. Diefenbaker:** With the indulgence of the house perhaps I may be permitted to ask the hon. member for Bonavista-Twillin-gate if he has been out there in Springfield?

**Mr. Pickersgill:** Oh, no.

[Mr. Diefenbaker.]

**Mr. Diefenbaker:** And he was not in Trinity?

**Mr. Pickersgill:** Oh, no.

**Mr. Diefenbaker:** Next time, I suggest that the hon. member go and visit them.

**Mr. Pickersgill:** But then neither was the Prime Minister.

**Mr. Diefenbaker:** I now want to deal with the question of exports. The Leader of the Opposition simply juggled figures today. Let me make that very clear. Exports in 1958 have held close to the record \$6.4 billion level of 1957; he admitted that. On the other hand, imports declined by 10 per cent. The result is our trade deficit has been cut very sharply. With the United States the trade deficit in the last two years of the Liberal administration mounted and mounted. The hon. gentleman himself admitted that that condition of affairs could not be allowed to continue. Such deficits would ultimately bring about in Canada a situation detrimental to this country.

Our commodity deficit with the United States in the first ten months of 1958 declined to \$589 million from \$983 million for the same period in the previous year and from a total of some \$1,190 million for the whole year of 1956. Britain's share of Canada's imports has increased from 9 per cent to 10 per cent and our purchases from other major overseas trading areas have been reasonably well maintained.

I mentioned this afternoon the question of wheat export. There is no problem more difficult than maintaining our markets abroad for wheat. In the year 1958 wheat exports reached 316 million bushels, up from 267 million bushels the year before. Beef exports—I am going down the line because the hon. gentleman did not tell the story today—increased markedly and the export value surpassed \$100 million for the first time in a period of seven or eight years.

With respect to agricultural income, of which one hears so much, I have already referred to the net income and also to the cash income. Earlier I said more was earned in Canada last year. Personal income increased by some 5 per cent.

As far as the gross national product is concerned, it now amounts to more than \$32 billion; in volume terms it is about the same as in 1957, but it is still some 7 per cent above the 1956 level, compared with the United States gross national product which was only 2 per cent above the 1956 level.

Why should there be such a picture of Canada in the doldrums, with fear in the hearts, when the facts are that while we have