

The Budget—Mr. Pearson

In other words, promises that are made should be kept, which is a simpler Anglo-Saxon word than "effectuated". Well, let us look at some more records. There is another first in our financial history. We have had recently rising prices in a period of persistent recession or pause or whatever you want to call it. The average treasury bill rate for last week, and the Minister of Finance did not tell us about this this afternoon, was 4.61 per cent, an all-time high in this country, compared with a treasury bill rate on July 30, 1958 of .87, or an increase of 530 per cent during that period of time. The minister is inclined to blame this on the United States so perhaps he will listen to this. The present rate in Canada is 60 per cent higher than that in the United States where the treasury bill rate is 3 per cent, so let us not blame that development in this country on the Americans. So much for the Tory condemnation of dear money.

Where are the other vows of yesterday? Where is the 15 per cent trade diversion? That figured largely in a lot of talk not so very long ago but I can understand why members of the government are very silent about it now in the light of what has happened. In 1958 the United Kingdom's unfavourable balance with Canada widened, and the United Kingdom is the country that was going to be helped by this diversion. It rose from \$221 million to \$254 million. That is diversion the wrong way. In the first three months of 1959 imports from the United States into this country, which were to be diverted, are up 4 per cent and imports from the United Kingdom, which was to benefit by the diversion, are down 8 per cent compared with the same period in 1958. These are figures from the bureau of statistics survey and not from the Fleming or Martin statistical services.

No wonder, that the president of the board of trade, Sir David Eccles, complained in a speech in London on February 5 to the Canadian chamber of commerce, I believe, that Canada had done little to improve her purchases from Britain. He is reported as saying in what was referred to in the press as a rebuke to Canada:

No other country sold to us so much more than it bought.

Then, Mr. Speaker, where is the cure for unemployment through that billion dollar public works project which has also disappeared? Where is the new deal for the provinces and the municipalities? Where is parity, not charity, for the farmers? Where is that stand-up policy to the United States that was to prevent restrictions on our exports and unfair competition in surplus disposal programs? Where is this policy that was going

to protect our sovereignty against United States economic and financial control?

On March 9, the Prime Minister on the program "The Nation's Business" had this among other interesting things to say, and I quote from the text of his broadcast as issued from his office:

It was because I knew Canadians felt so strongly about the necessity of preserving Canada's destiny that I have advocated and the government has launched its national development policy to push back our northern frontiers. The result of our action has been that in the last several weeks over 75 million acres in northern Canada have been taken up for oil and mineral development, and I want to underline this—

The Prime Minister is doing the underlining, not I.

—that this is a major means to preserve our sovereignty.

Then he went on to say, "Let us be realistic." Well, Mr. Speaker, I will try to be realistic and indicate the facts as we secured them from the minister concerned. Of all these millions of acres taken up for oil and mineral development to protect and preserve the sovereignty of Canada, 95 per cent of the leases went to United States firms or Canadian subsidiaries of United States firms. This is the way we are protecting our Canadian sovereignty.

Mr. Hamilton (Qu'Appelle): On a question of privilege, I gave some figures in the house to the hon. member for Mackenzie River (Mr. Hardie) concerning one single sale of permits in an area just north of British Columbia, the total acreage amounting to 3½ million and the area being 2,000 miles away from that mentioned by the Leader of the Opposition.

Mr. Pearson: I wonder, Mr. Speaker, whether the minister would state his question of privilege.

Mr. Hamilton (Qu'Appelle): The question of privilege is very clear. The Leader of the Opposition has misinformed the house by giving absolutely incorrect figures.

Mr. Speaker: If the minister disagrees with what is being said he will have an opportunity at the end of the address to make a correction.

Mr. Pearson: I would not wish to do the minister any injustice so I will read the questions and answers. Perhaps I do not need to read all the questions. I will read the pertinent ones but if he wants them all I will put them on the record. The first question was:

What are the names of the ten successful bidders for oil and gas permit rights in northern Canada?