

The Budget—Mr. Gillis

a great chairman. I have every confidence in the judges, but you need somebody who will take over and do what the late Mr. Justice Mabee did. We have another opportunity of taking up these matters. I do say that the government should be represented by counsel before the board of transport commissioners when this case is heard. They should oppose the rate; they should oppose any increase. I moved in committee that there be no increase for three years. The workingman will not be able to have a phone—no one will be able to have one. Their stock was at 140 and it went to 183. Then it was split five for one and was quoted at 25. Now it is 42½—and you can see the results.

It has only been in Ontario and Quebec where they have any jurisdiction, because the other provinces have their own telephone systems—and have made a success of it. I say in conclusion that the case should be fought, because these increases are going to have a serious effect. I can remember when the hon. gentleman who used to represent the constituency of Davenport, and I, pointed out that in the villages and towns of western Ontario signs stating "Closed Until Monday" were posted. I pointed out that the telephone system was part of the post office department in England, and that over there they had boxes on the street from which a person could phone for a taxi. And it was as a result of this action, along with that of the hon. member who used to represent that constituency, Davenport, Mr. MacNicol, that we got telephone boxes on our streets in our cities and towns.

For the reasons I have stated I say the government should be represented by counsel and should oppose any increases for three years. There should be no increase at all. The public cannot pay it, and it simply means that the working class in Canada will not have phones—or if they do have them, will have them only at prohibitive prices.

Mr. Clarence Gillis (Cape Breton South): Mr. Speaker, I shall try to stick as closely as possible to the matters coming within the scope of the budget. I listened to it on a previous occasion and heard it discussed. I am not unmindful of the fact that since that time there has been an election at which the government was returned to power with a substantial majority. Nevertheless I believe considerable criticism can be levelled at the budget, as such.

The first point I should like to make is one we have made on many occasions, namely that the budget as brought in by the minister is merely a bookkeeping statement for the past year. We have recommended from time to time—and I repeat it tonight—that in a country which has just been through a war,

[Mr. Church.]

and which is still in the process of bringing its economy back to a peacetime basis, where there is considerable unemployment throughout the country, in addition to bringing in a statement showing expenditures and anticipated surpluses the minister should also bring in a capital budget. The government has taken the position from time to time that, while it does not agree with the principle of having the government in business, where free enterprise failed they have been prepared to take up the slack. They have been doing that to some extent, but not in the manner in which we would like to see it done. I say the minister should be setting aside large sums from surpluses which have accumulated from budget to budget since the war. He should be picking out those spots in Canada where the economy needs a lift, and where the edge has been taken off industry. He should be presenting to the house a plan to be effective from coast to coast whereby, although he might not step on the corns of free enterprise, he would take action where free enterprise has failed to make good where it felt it was not profitable to invest money. Thereby he would give us a national plan across the country under which we would spend in given areas certain sums from our surplus, to enable the people in different parts of the country which are considered depressed to make plans for the future.

This would give employment offices an opportunity to plan employment. In my opinion that kind of budget is absolutely necessary. I notice that in some provinces, particularly in Nova Scotia, that kind of action is now being taken. In addition to the regular budget of the last session of the Nova Scotia legislature, the premier introduced one just as I have described.

This is one respect in which the minister's department has fallen down. He did not consult with the other departments—public works, mines and resources, or any of the others—nor has he given us any idea of what the government had in mind in the depressed areas.

The second point to which I would direct the minister's thoughts is connected with the removal of the 8 per cent sales tax on fuel oil. The assumption by most people is that they are going to receive the benefit immediately of an 8 per cent reduction in the cost of fuel oil. I believe I am safe in saying that the majority of distributors, those who sell to the consumers, never knew there was a sales tax. So far as I can gather it went directly to the oil companies. Whether that saving is going to be passed on to the consumer remains to be seen. I suggest that some time before the end of the session the minister should make some decision in