

*Economic Rehabilitation*

There is a good deal to the point made by the hon. member for York-Scarborough that there is a limit beyond which we cannot go in establishing industries that are un-economic, but since we are spending upwards of \$2,000 million a year on defence on the assumption that there might be war, I think we are making a great mistake in crowding so many people into areas like Toronto and Montreal and around the golden horseshoe, as the hon. member for York-Scarborough described it. When scientists tell us that one hydrogen bomb in the area of Windsor, given a favourable wind, might destroy all life as far as Oshawa, we probably should review our policy and decide whether we want to have large areas in Canada that will be uninhabited and bring people to central Canada where we are concentrating so many of our industries. I have no doubt that many of the people who have gone to the prairies to produce grain for a hungry world are quite prepared to come back to Ontario and Quebec if that is the wish of the government, but that is going to create very real problems in housing, educational services and other services in central Canada.

I do not think it is desirable to have in the two central provinces of this country 70 or 80 per cent of the people of Canada. So I suggest that the proposal made by the hon. member for Cape Breton South should receive the sympathetic consideration of this government, that we should take some long range views of the problems he has presented, and that we should set up a public investment fund to see to what extent we can go in establishing industries in that area. If we are not prepared to give some encouragement to the establishment of industries in that area, then we should come out frankly and say it is the intention of this government to have the people move to the districts surrounding the golden horseshoe, which was described so well by the hon. member for York-Scarborough just before the supper recess.

**Mr. G. T. Purdy (Colchester-Hants):** Mr. Speaker, I should like my first words this evening to be words of commendation to the hon. member for Cape Breton South on his introduction of this resolution. He said in opening that he intended that his remarks on this resolution should be provocative, and we realize that he has brought about a considerable discussion this afternoon and this evening, we will agree with this. I am very glad that it has been possible to bring to the attention of this house the situation with

[Mr. Nicholson.]

respect to the maritime provinces and I might say, with the addition of Newfoundland, all the Atlantic provinces.

Having referred to the remarks of the hon. member for Cape Breton South, to which I shall probably return a little later, I should like now to thank the hon. member for York-Scarborough for the many kind words he said with respect to the maritime provinces. I would have been more pleased, however, had he told us that in that over-developed area of his there were a few industries that he could spare and that he would try to have located in the maritimes. I hope he will take that under advisement.

It is not often that I agree with the hon. member for Digby-Annapolis-Kings. This afternoon, however, I did agree with him when he put before us the problem presented by the failure to fulfil the promises made at the time of confederation with respect to the Intercolonial Railway, which would have permitted us to market our goods in the central provinces. I would have thought, however, that in fairness the hon. member would have gone a little further and explained to the house just what, in addition to the lack of transportation facilities which we were promised, started the maritimes on the down grade. I would have thought he would have explained to the house that it was the fiscal policies of the party he still supports which started us on the down grade.

I would have thought he would have gone on a little further in dealing with history and referred to 1911. At that time, before our industry in the maritime provinces had gone down too far, we had a chance to rehabilitate our industry by again starting trade north and south in the same way that we were trading at the time of confederation. But no, the hon. member never mentioned that. He never mentioned the great cry, "No truck or trade with the Yankees", or what happened to the wonderful reciprocity treaty proposed at that time which we have never been able to have fully implemented since.

Frankly, Mr. Speaker, I am sorry to say that even during this session of the house we have again heard, in connection with certain legislation before us, rumblings of that old cry, "No truck or trade with the Yankees". Surely the once great Conservative party must realize that the day of narrow-mindedness of that sort has gone, and that they will never get to power in Canada on such a cry.

I read the resolution of the hon. member for Cape Breton South and, coming from Nova Scotia as I do, I realize there are many places there where the full and all-out application of such a program would be of