

In this budget I believe that the minister has made a sincere if niggardly effort to apply modern thought to the use of taxation. By that I mean that the budget takes tentative steps at least to go beyond the traditional usages of raising money and influencing sentiment and support. It would almost seem that a gesture is being made to influence the country's economic trend and the financial position of the individual to counteract the inflationary tendencies which are now so evident. This, of course, I consider a step in the right direction in the use of taxation, and it is encouraging to see that the government leans that way, although, mind you, there is a very long way to go before this gentle sway becomes a marked movement or a definite policy.

Not being an economist or financier, I do not propose to deal in detail with much that calls for what might be called higher criticism of the budget. I leave that to those far better qualified than myself, and it has been done ably already by the hon. member for Muskoka-Ontario (Mr. Macdonnell) but as a business man I want to direct the attention of the government to certain matters of principle closely affecting, and effecting, our national welfare and individual living.

I suggest that our national problem is threefold, and that the government has done little or nothing to solve its three main parts. First, there is the urgent need to help primary industry, namely, agriculture, fishing, mining, lumbering and the like. Second, there is equally urgent demand for encouragement and incentives for secondary and processing industries which use the products of primary industries; for the services which depend upon the activity and prosperity of both these groups; for the business that devolves from them. Lastly, there is the uncertain position of the individual citizen whose whole life and future depend upon national prosperity based upon sound economic principles carried out through sensible policies.

Primary industry, to my mind, is the base of our national economy. Prosperous primary industry releases enormous potential buying power to absorb the output of industry, the functions of the services and the activities of business. It brings prosperity to the individual. As a representative of a constituency vitally interested in agriculture, I want, with reservations, to give some credit to the government for its recognition—belated and inadequate as this recognition is—of the need to give practical aid to farmers. It is at least a move in the right direction. The wealth of this country is directly founded on primary industries, of which agriculture is the most important part, for it supports

approximately one-third of the population of this Dominion of Canada. Other primary industries support another great fraction. The secret of all-round national prosperity is to assure that the greatest buying power of those engaged in primary industry is released.

Hon. members may wonder why I am talking so much about primary industry and industry and business. I am particularly interested in it for various reasons. One important reason is that it employs so many individuals in this country and it is so important to their welfare. Business must be strong and secure. If the top gets too heavy for it, or if the foundation is insecure, the whole structure will collapse. Furthermore, any prosperity that is not built upon this basis, and is not in proper relation to it, will come tumbling about us, for it is unreal and false, and a dream from which there will come a dreadful awakening.

The primary industries of Canada receive nothing like a fair share of the national income. Those engaged in them work hard for long hours, and they work under conditions that would stimulate organized labour into general confusion. Yet, because they are conscientious, and because they have a sense of responsibility, those who bear the brunt of primary industry—yes, those who produce our real wealth—are left to fight the battle of life pretty much alone. They are practically forgotten so far as government assistance is concerned. Our basic industries, upon which Canada must build for the future, are penalized at every turn, and this budget does practically nothing to rectify the grave injustices under which they labour. What is even more important and tragic, there does not seem to be any real indication that the government recognizes the desperate seriousness of the situation as it affects Canada and every Canadian.

I charge that the government has ignored the need to develop and assist primary industry, and that it has lamentably failed to use its taxing powers to build a solid foundation upon which to erect a secure and prosperous Canadian economy. It has done nothing to release the enormous buying power of those engaged in our basic industries. It has done very little to help those who produce our real wealth to attain better living standards and to have their fair share of the national income. I suggest that the little which has been proposed in this budget to better these conditions has been taken in a large measure from the politics and programmes advanced by the Progressive Conservative party, which has laid down as a fundamental principle that agriculture and primary industry generally