

The Budget—Mr. Martin

over the country. Only the other day there came across my desk a newsletter containing the views of a well known investment company in Montreal, the Jones Heward & Company. It is headed, "The Outlook for the Canadian Economy", and is dated January 12, 1961. On page 2 there is the following reference to the so-called baby budget:

It is curious that the December budget was almost void of measures to combat unemployment which could reach 12 per cent of the working force in the winter months of 1961. In this respect, this was "an emergency budget without emergency measures", and under the circumstances, difficult to rationalize.

Then on the third page of this interesting analysis of the economy of the nation, in the second paragraph, the report points out:

The budget raised more questions than it answered. It had anything but a settling effect on the bond market, many foreign investors regard the measures as only the beginning of things to come, and residents are disappointed that no positive action was taken to support business and arrest unemployment. It makes any forecast of the spring budget uncertain at best.

As we know, many views have been expressed as to why in fact, in view of its contents, the Minister of Finance brought in any budget at all at this time. The budget will be noted, I think, not so much for what it says but for what it does not say; not so much for what it does but for what it fails to do.

I think one good example of the latter was the nature of the reply given to the hon. member for Laurier by the Minister of Finance when the former asked what were the depressed areas in the country that the government had in mind in connection with its proposal for a double depreciation allowance for industries settling in depressed areas as an aid to unemployment. The Minister of Finance said, that, of course, he could not give a reply to that kind of question until all matters having to do with the budget in this house had been dealt with.

I want to take issue with the Minister of Finance. The Minister of Finance, in the announcement he made—in the only announcement that had any direct bearing on conditions of unemployment in this country, namely that of a double depreciation allowance for industries settling in depressed areas, as an aid to unemployment—should have accompanied the announcement of that policy with the definition that the government would require and insist upon in regard to the phrase "depressed area".

Mr. Fleming (Eglinton): Would the hon. member permit a question?

Mr. Martin (Essex East): At the end of my speech. I only have half an hour.

Mr. Fleming (Eglinton): Mr. Speaker, I rise on a point of order. The hon. member is attributing to me the use of an expression about depressed areas. I say that he will look in vain for any such expression in my budget speech.

Mr. Martin (Essex East): That is not a point of order.

Mr. Fleming (Eglinton): It is a point of order. You have misquoted me.

Mr. Martin (Essex East): The hon. gentleman has a happy faculty of trying to make his own speech when somebody else has the floor, and that will not happen in this instance. I say that the Minister of Finance should have told the country and the house what were the depressed areas to which this announcement would apply, and what would be the requirements before an area could qualify as a depressed area. I say that because the only reference in the budget—by implication, not directly—to unemployment was this particular provision, as a means of assisting in the relocation of industry or in the encouragement of existing industry to stay in a depressed area.

This conceivably, depending on the details of the policy, could be of very great help in the alleviation of unemployment in a particular district. So the Minister of Finance now, before this day is over, should tell the house what are the depressed areas that the government has in mind, and what are the definitions of a depressed area that the government purposes to have applied to this particular policy. We should know, for instance, what percentage of the labour force has to be unemployed for an area to be considered depressed. There is no difficulty in the government giving us this information, if it has settled on the criteria; and if it has not, it would be most unusual for the government to make an announcement of policy without having carefully considered all the factors involved.

Someone points out that the Minister of Finance will not be speaking again. In that event I hope that the Prime Minister or someone else who will undoubtedly have a word to say will be authorized by the Minister of Finance—as the Minister of Trade and Commerce was authorized today to speak about the conference in Washington—so that we will know exactly how we are to judge this particular provision.

The minister has very good precedents before him. There is now before the 87th congress of the United States a bill to alleviate the problem of economically depressed areas. That bill represents the determination of the new administration, in office only a