

*The Budget—Mr. Leblanc*

which I think can be spread over a longer period of time. Such policies relate to trade, to the Bank of Canada, to the amendments which must be made to the Bank Act and to an over-all economic policy which is geared to expansion. At the same time it requires from the federal government leadership including tax reduction where necessary, bringing about an over-all production which will not just tend to hamper and to hinder the policies of some of the provinces but which will let all of the provinces work together and go forward with the type of expansion which the country needs. This is the kind of financial policy and the kind of Budget which I had hoped the Minister of Finance would bring down but which I do not think he has brought down. I think his present Budget will work to the detriment of the nation rather than toward the objective which he has outlined to the house.

**Mr. Sharp:** Mr. Speaker, may I ask the hon. member who has just spoken one question?

**Mr. Deputy Speaker:** The time allotted to the hon. member has expired.

*[Translation]*

**Mr. Fernand E. Leblanc (Laurier):** Mr. Speaker, the annual period of waiting and suspense in Canada is over since Tuesday, March 29, when the Minister of Finance (Mr. Sharp) announced to the Canadian people how he intends to levy the revenues required to administer the country during the fiscal year which began on April 1.

It goes without saying that the government's receipts must be sufficient to enable it to administer the country and also to make the necessary expenditures which, in many cases, are very important incentives in the national economy.

Every year, the period preceding the bringing down of the budget is marked by temerity, anxiety, anguish, speculation and all kinds of forecasts.

● (4:50 p.m.)

Editorial writers and economists vie with each other in setting forth the reasons which, in their personal opinion, justify a relief, a stabilization or an increase of the fiscal burden.

It is obvious that no budget could ever meet with unanimous approval in a country as diversified as Canada. However, most Canadian economists and editorial writers

[Mr. Thompson.]

have praised the first budget brought down by the Minister of Finance (Mr. Sharp), and I am glad to quote a few of their comments:

Able presented document—the least partisan of all budget speeches heard in the Commons in recent years—clever innovations—appropriate budget—Mr. Sharp takes inflation seriously—expert budget—putting on the brakes—Mr. Sharp is a realist—cautious and conventional budget. If many have criticized certain measures contained in the budget, nobody rejected its general idea in order to maintain that the threat of inflation was imaginary—good doctor—in more ways than one, the Sharp budget is an act of faith.

I join with all these Canadians to commend the Minister of Finance for his courage in presenting such a budget that will ensure a continuing and progressive economic growth in this country.

I should like, Mr. Speaker, in this, my maiden speech on the budget, to briefly state to the house my concept of the relationship between government and private enterprise.

I am pleased to note that the present Liberal government favours private enterprise and provides the assistance required for complete development. Protecting private industry has always been a Liberal tenet.

One hundred or even 50 years ago, most people could live blissfully unaware of political crises in provincial or federal capitals. Today, if politics are ailing, economic and social pursuits are also affected. In the twentieth century, the state exerts a constant influence on the happiness and well-being of every businessman and individual, whereas in the nineteenth century, private initiative enjoyed complete freedom and the state simply acted as a referee between the parties.

In certain areas of the world in the twentieth century, under full socialism, private initiative is completely suppressed and taken over by the state. In Canada, our infinitely varied and mixed system must be maintained and I believe the system is perfectly justified by current economic conditions.

These days, it is not easy to find a clear and satisfactory definition of private enterprise, because under present conditions of our modern life, all economic systems are unavoidably restricted one way or another. As a rule, however, these restrictions should not, in any case, discourage private initiative or destroy freedom of action. I feel that I should quote to hon. members what His Holiness Pope John XXIII had to say about this in his encyclical *Mater et Magistra*. His Holiness said, and I quote:

At the outset, it should be affirmed that, in economic affairs, first place is to be given to the