

The Budget—Mr. Carroll

Mr. W. F. Carroll (Inverness-Richmond): Mr. Speaker, I do not intend to spend much time on the budget proposals as such. Everybody knows why we are greeted with a budget asking for higher taxation. As every person knows, that higher taxation is to be applied to our defences, in order to preserve peace in the world. I do not think there is anybody either within sound of my voice or across the broad dominion who is not pleased with the present government for having done what they are doing in the matter of defence and economic planning.

I want to say that the criticism made by the hon. member for Greenwood (Mr. Macdonnell) was moderate and fair, as was also that of the leaders of the other parties. One thing about which some of them were perturbed was that in their opinion we were asking for too much, that we were asking to impose taxes that would give us \$200 million or \$300 million of a surplus this coming year. I would hope that it would be better for the Minister of Finance (Mr. Abbott) to budget for a surplus than for a deficit; because if anything should happen, we shall have the money to spend, and I myself have confidence that the minister will spend this surplus, if there is any, to the advantage of Canada.

All those who have spoken congratulated the minister on the work he put on the budget and the wonderful presentation he made. One of the leaders—and I think it was the leader of the Social Credit group—almost came across the floor of the house to hug the minister; and he thereby brought forcibly to my attention the old saying, "beware of the Greeks when they bring you gifts." If the minister knowingly and consciously did the things of which he was accused by the leader of the Social Crediters, he should not be loved or admired, and it should not be said that he is a good minister of finance. I am not going to congratulate the Minister of Finance on the budget. We on this side of the house knew that he would give us a good one. I do not think it is a place for congratulations at all; because everything the Minister of Finance does in the realm in which he is working is always good; and I do not think we should pick out this one particular thing on which to congratulate him.

As I said, the higher taxation of this budget is for the purpose of Canada's defence in order to avert war. The question arises here, and different opinions have been expressed by the Minister of Finance and those on the other side of the house who criticized the budget, as to the effect the budget is going to have on inflation. It is a question which is worthy of consideration and

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worthy of argument. So far as I am concerned, I am willing to adopt the opinion of the Minister of Finance in regard to inflation and what effect the budget will have on inflation. Nothing definite can be said about it on either side.

There are of course many theoretical economists in the country today who bring forth various ideas which are sometimes dreamy, sometimes hazy and sometimes without a real basis of foundation. I always think that we should abide by, live up to and try to follow the natural laws of economy rather than be led away by the theoretical people whose ideas have never been put into practice and who do not know what the result may be in the end. That is all that I am going to say on the budget as such.

A great deal has been said by the public and in this house to some extent about the situation in my native province of Nova Scotia. For years and years, up to about fifteen years ago, we in Nova Scotia blamed all our ills, or many of us in Nova Scotia blamed all our ills and all of our depressed areas, on the fact that we had confederation. There is no more distorted argument that could be made than that any of our ills were due to the fact that we entered confederation. There was a political propaganda started in Nova Scotia before confederation became a fact. It was followed up after confederation became a fact, and by very able men who prejudiced the minds of the public and the minds of the mass of the people of Nova Scotia against confederation. They succeeded in doing that; they succeeded in advising the people of Nova Scotia that confederation was no good to us; that it was better for us to get out of the country; that we could get nowhere because we would be overwhelmed by Quebec and Ontario.

This was purely political propaganda, Mr. Speaker, because the man who took the greatest part in the leadership of this propaganda was one of the men who first talked about the confederation of the British provinces in North America. And strange to say, after a few years, men of that calibre who had decried confederation and advised the people of Nova Scotia not only to get out of confederation but to leave the province, accepted high office in the government of Sir John A. Macdonald. After a time this prejudice seemed to become subdued, but in 1883 an election took place in Nova Scotia, and that election was on the issue of confederation, to get away from confederation, to make us a separate government entity in this country, in other words secession. The election was won on that basis. After the election nothing was done about it of course,