

The Address—Mr. Diefenbaker

friend had the best of two worlds. He said, do not stand up for your rights in Canada because you are going to arouse groups in the United States. Then, on the other hand, he wanted both sides, and he said we should let the United States know that our defence arrangements cannot be continued in their present form without some realization that economic changes must be made. We never made threats like that, but we let the United States know that the situation was such that some action should be taken. Members of Congress were sent here, and I simply ask my hon. friends who are opposite to read the recommendations they handed to Congress. Almost everything that has been said is to be found within the confines of that examination that was made.

My hon. friend says, what have we done in connection with unemployment. He has said that unemployment depends on trade, so I shall deal with those two things for a moment. What have we done? Well, Mr. Speaker, we have acted. The last government knew of the situation; they realized the facts and yet they told us all was well. We came into power, and we have acted. I am going to show a few of the things we have done.

After all the committee on economic development in the United States says that four things have to be done to meet the recession which today has assumed great proportions in the United States. Four courses should be adopted. The first is that there should be a measure of reliance on monetary policy. It points out that businesses and governments tend to spend more if they have easier access to credit. My hon. friend the Minister of Finance faced up to this issue and credit restrictions and tight money were loosened. Then, if my hon. friend says that is not a fact, let me point out this. The figures available two weeks ago show that the amount of money in circulation as compared with the corresponding week a year ago was up 7.5 per cent, while the increase in the United States is only .3 per cent.

My hon. friend says that he does not want to be designated as belonging to that corps of gloom and doom, but I did not hear anything in his speech today that indicated support for that vocal statement. In Canada business failures are 38.5 per cent less than a year ago, while in the United States they are 52.4 per cent higher. We acted on the monetary basis.

The next point is that action should be taken in order to increase available moneys to cushion the decline in income and provide greater consumer demand. We acted in this regard with increased social security payments.

The next point recommended is that encouragement should be given to housing and to public investment. In this connection the Minister of Public Works (Mr. Green) recommended to parliament that the sum of \$300 million be made available for housing. The result of this action has been that at no time in the past in this country has there been anything to equal the expansion in the building of modest homes. They are just starting to do that in the United States. The administration in the United States has just recommended that \$1,800 million be made available for house-building. If an amount were provided in the United States on the same proportion that we have already provided, it would require \$5 billion.

In addition to what has been provided already we intend, at the earliest possible date and with the consent of the opposition, to introduce a measure to assure that a further sum will be made available for housing. These are but a few of the things we have done. The result has been that housing starts in February were up 129 per cent over a year ago, while in the United States they were down by 1.2 per cent.

In the month of March construction contract awards were up 14 per cent in Canada over a year ago. Yet you tell us that those were the days of halcyon plenty. In March construction contract awards were up 14 per cent in Canada over a year ago while in the United States they were 10 per cent lower.

My hon. friends who suddenly developed an interest in tax cuts did not develop it until after they were not in a position to do anything. As a matter of fact, when I read the glossary of promises I wonder why there was not something in this amendment to that effect. There is no indication, of course, at this time as to what will be in the budget but it would have been a nice effort on the part of my hon. friends if they believed that which they advocated.

In addition to that, it was suggested that something be done in order to meet the immediate problem by extending the period of seasonal unemployment benefits. My hon. friend the Minister of Labour (Mr. Starr) recommended an extension and it was accepted and again in the present session and at the earliest possible date, again with the leave of the opposition, we intend to bring in a measure to extend the period of seasonal unemployment benefits.

Those are some of the things that we have done. Those are some of the actions. My hon. friend says, "What about unemployment?" He says that no Canadian can be happy at the situation. Then he proceeds