

*The Budget—Mr. Regier*

**Mr. Speaker:** Then, I take it, by leave of the house, the hon. member for Bonavista-Twillingate is asking that the amendment proposed by the hon. member for Kenora-Rainy River be resubmitted in a revised form as suggested and put before the house in that form. Then, I think I should now put the motion before the house, if it is agreeable. The motion of Mr. Benidickson, seconded by Mr. Pickersgill, is as follows:

That all the words after the word "that" be deleted and the following be substituted therefor:

Whereas the budget speech of the Minister of Finance rests on the assumption that deficits and unemployment are inevitable features of Canadian life under Conservative government;

Whereas members of the government have failed to assess correctly economic developments in Canada in 1960;

Whereas the government persisted stubbornly and blindly in this mistaken assessment of the economic situation notwithstanding warnings issued in this house, notably by the Leader of the Opposition;

Whereas the necessity of calling parliament this fall to deal with emergency legislation and a supplementary budget confirms the position taken by the opposition and reveals clearly lack of foresight and leadership on the part of the government;

Whereas the supplementary budget converts a proposed surplus of \$12 million into a forecast deficit of \$286 million, which will be the fourth consecutive deficit of this government and exceeded in the post-war period in amount by only the last two deficits of this Conservative government;

Whereas the new deficit was unplanned, unexpected, and is a result of a wrong assessment of the economic situation;

And whereas the proposals in the budget do not deal with the deeper causes and manifestations of economic difficulties, and in particular with massive, persistent and growing unemployment;

Therefore be it resolved that the financial policies of the government do not deserve the confidence of this house.

**Mr. Erhart Regier (Burnaby-Coquitlam):**

Mr. Speaker, before the Christmas recess I had expressed in this house the disappointment, as I understood it, of the Canadian people with the contents of the baby budget. I deplored the fact that Liberal spokesmen had done a lot of weeping and wailing and offered no constructive proposal as to alternative policies. I refer briefly to the amendment and indicate that if that is all the Liberal party has to offer, then it has no constructive proposals to place before the house and the country.

We were meeting at a time when there was great unemployment in Canada. In the fall we were meeting at a time when our markets were not growing adequately to meet the needs of the Canadian people, Canadian industry, Canadian agriculture and Canadian workers. We were meeting at a time when actually there was a decline in the level of investments in Canada, when investment money for intensive production, for adequate

establishment of markets to meet our social needs and to meet the ever-growing effects of automation was not forthcoming. Such money was not being made available in adequate amounts. We were meeting also at a time when there was yet a further decline in the net income of Canadian agriculture.

We had been called to an early resumption of the sessions of this parliament. We were here as early as November 17. We heard a lengthy speech from the throne containing a number of detailed proposals. We had been informed that we could expect a baby budget before the Christmas recess. We had received many oral assurances such as the assurance "You ain't seen nothing yet".

We had spent three years clearing out the underbrush and now the government was going to go after the tall timber. The expectations of the Canadian people were at a very high level indeed. There was hope that at long last after much procrastination the government was finally intending to tackle the needs of the Canadian people with imagination and with some vigour. Now, even as late as this afternoon, we hear with utter dismay the announcement by the Minister of Finance (Mr. Fleming) that there is no emergency. If there is no emergency I might well ask why the beating of the drums and the great effort to assure the Canadian people in the dying months of last year that the government recognized that conditions were very serious indeed and was about to undertake action that would begin to fell the tall timber.

Instead, in the baby budget we received only a denial in effect of most of the campaign pledges of the Conservative party. Instead of the implementation of campaign pledges we had a return on the part of Canadian Tories to the old, traditional and discredited Tory policies of the late R. B. Bennett's regime, policies of higher tariffs, curtailment of production in the industrial and the agricultural world, higher interest rates for the Canadian people, and any blessings that were handed out in the baby budget were, in typical Conservative fashion, handed out only to big business and to the investment houses of Canada.

Some people have the idea that when the masses of the people are hungry all you have to do is to add a little more to the tables of the overly wealthy and somehow a little more will roll off the tables and therefore the needs of the masses will be met. The remedies that have been proposed by the government will in our opinion not help us with regard to unemployment. They will not help to find markets for our products. They