We are told that last year there was a growth in Canada's labour force of only 1.16 per cent. The government always likes to brag about the growing number of people who are working in Canada. As I indicated before, last year our population rose by 2.2 per cent and yet at the same time our working force showed a rise of only 1.16 per cent. In my opinion this is rather clear evidence that unemployment actually is climbing in Canada instead of receding as the government would have the people of Canada believe. I should like to cite only one little example. If we were really climbing out of the economic recession, if we were really on the way to economic recovery, why would a report indicate that at this time some 25 per cent of the population of one of our ten provinces is on social welfare or relief? Surely, that does not indicate a return to prosperity.

Then, we have claims made, by a reference to industrial enterprise, that we have this economic recovery. Once again, when you consider the growth in population, when you consider the change in prices and think of the volume of goods, you will note that we are lagging rather than growing out of the recession. I have figures here showing industrial output for the month of December, 1958 as compared with December, 1956, and the base period for this index is taken as 1956. The index for December, 1956 stood at 154, while in December, 1958 it was only 148.2. One could take mining, for instance, as another good example. In December, 1957, the index for mining was 217.6; in December, 1958, the index for mining was 214.6. These indices are based on volume rather than the annual sales value in monetary terms.

I fail to see how the minister can, like the men of magic, pull a rabbit out of a hat and base a budget on a growth in gross national product for 1959 by seven per cent, because that is only two per cent less than the greatest industrial growth that Canada has ever experienced since the end of the war. In one year it was nine per cent. Last year, on a volume basis, there was less than one per cent growth, and on a per capita basis there was actually a decline in our gross national product. In spite of this, the minister says he expects a growth of seven per cent, and his predictions are very important, Mr. Speaker, because the whole welfare of the federal budget depends on the accuracy with which the minister is able to make his predictions.

In so far as national defence is concerned, the whole country is in a quandary. We do not know what the policy of the government is, nor is enough information supplied to indicate what the policy of the opposition is on this matter. We have no information about government policy in the field of transportation, and yet we are asked to subsidize railway transportation at least. The minister has not tackled the problem of the finances of the other levels of government. Instead of calling a dominion-provincial conference he is having a meeting with the provincial finance ministers. In the field of public financing, I feel the minister made a serious error the other day when he indicated his public borrowings would be $850 million. He failed to point out he will have to borrow this year some $1,350 million to refinance government bonds that are falling due in 1959. Adding this amount to the $850 million, we find that federal government bonds or other sureties that will have to be handled this year will amount to $2,200 million as opposed to last year's figure of $2,250 million, that is excluding the bond conversion deal. When we exclude the bond conversion deal, we find the minister will offer on the market this year practically the same amount of government bonds and treasury bills as he did last year.

I know the minister is accurate in the actual wording and the grammar of what he said but, in effect, the country was misled into believing that government borrowings this year would be only half of what they were last year. The facts show that the minister will be borrowing $2,200 million this year as opposed to $2,250 million last year. If he says that much of this is retiring debt, and the debt is only going to grow by $850 million, I know he is right. At the same time it has the effect of placing all these bonds as a new issue on the money market.

We feel that the Tories have been misleading the public in the matter of public financing and its relations with other governments. We feel that they have supplied inadequate information on national defence and on transportation. We feel that they have been misleading the public with as to what is happening with regard to economic recovery, unemployment, the market, our capital investment forecast and present incomes of Canadians which are down, as can be found at page 8 of the Canadian Statistical Review, the February issue.

We feel that the results of no action on the part of this government will be serious indeed. The world today is moving at a rapid pace. Canada's economy is especially vulnerable. Unemployment breeds unemployment. Industrial progress must be made in order to meet our ever-growing commitments and the requirements of our population. Agriculture is facing industrialization unless action is taken to meet the problem posed by the cost-price squeeze. Short term policies with regard