Mr. Pearson: No, I did not use any words that would justify that interpretation. I said that we should have done much better during the last four and a half years.

Mr. Fulton: I understood the hon. member to say that after a recession we should have done much better.

Mr. Pearson: If there is any doubt in the hon. gentleman's mind, I am glad he has given me the opportunity to remove it because the people of this country know when the recession began. It began in the summer of 1957.

Mr. Fulton: You said "after a recession".

Mr. Pearson: Because there is this doubt in the hon. gentleman's mind, I will take advantage of the opportunity to put some figures on the record in a few moments that will remove that doubt.

Mr. Fulton: What did you mean by "after a recession"?

Mr. Pearson: Was the recovery we have made in 1961 a miracle? What does the government expect? Are they still living in the dark ages, in the centuries when things stayed much the same? Do they not know that in Canada our population increases every year and that therefore our gross national product must go up every year to get ahead at all? Do they not know that Canadians use science and technology, that our corporations invest in new equipment and that technological progress every year enables us to produce more?

Of course our production goes up. The question is, how much? In four and a half years of Tory government it has gone up only by 1½ per cent a year on the average. Let the Minister of Finance deny that figure if he can. Of course, in some years production increases have not been as bad as in other years. Nineteen fifty nine was the best year. Production went up in that year by all of 3 per cent. The minister told us then that things were going to be fine. He was even tempted to say that he would balance his budget. But in 1960 things got worse again and, of course, Mr. Speaker, they are better now. However, each time in these cyclical fluctuations, each time this has happened, we have gone down farther than the time before and our recovery has been less. That is the long range danger to our economy in the kind of situation in which we find ourselves. Each time we do have this kind of recession we are saved from the worst consequences by the kind of social security and transfer payments that were instituted in this country under Liberal governments.

Mr. Fleming (Eglinton): May I ask the Leader of the Opposition a question? Is he referring to the $6 increase in the old age pension made by him and the other "six-buck boys"?

Some hon. Members: Forty six dollars.

Mr. Pearson: That is not a very bright observation by the minister. The minister is getting a little tired and his interventions are not now as sparkling as those to which we are accustomed.

Mr. Fleming (Eglinton): Would you care to answer?

Mr. Pearson: The question is, what about this time next year? If we get the same kind of Tory administration we have had for nearly five years, then we will be slowing down again, according to the economic forecasts of the experts, and without having come anywhere near solving our basic problems. The most basic problem of all is chronic unemployment. We would be back again to the only 2 per cent increase in production which we had in 1960. What would that mean? It would mean again growing unemployment; our economy working far below its capacity; missed opportunities for the people of Canada. It would mean the loss of millions of dollars worth of production which we could have had if only there had been a government capable of asking, capable of progressive, sensible, farsighted economic policies.

An hon. Member: You have got it.

Mr. Pearson: Let us see what has happened to the country in the last four and a half years, if we have it. Do these members on the front benches not know, Mr. Speaker, that throughout the post-war years with a Liberal government in office, production in this country increased at an average rate of 4.6 per cent per year? This was the average that we achieved over the whole period from the beginning of 1946 to the middle of 1957. If you take away those difficult years of reconstruction immediately after the war, the average is much higher, but to be fair I have included those years. The best this government could do in any year has been 3 per cent, which is much less than our average, and over the long period of four and a half years their average is only 1½ per cent. It is about one third of our average increase during a Liberal administration.

Mr. Campbell (Stormont): May I ask the Leader of the Opposition a question, Mr. Speaker?

Mr. Pearson: Yes.

Mr. Campbell (Stormont): Would the Leader of the Opposition give us the figures for the