

The Budget—Mr. Benidickson

(Leader of the Opposition, House of Commons,
April 12, 1960)

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. Bell (Carleton): Mr. Speaker, I would like to raise a point of order in connection with this speech, because such it is and it is not an amendment under the rules of the house. It certainly is the most extraordinary amendment that has ever been proposed at any time in the history of parliament. I would like to suggest to Your Honour that it is out of order as being irrelevant; it is out of order on the ground of vagueness because of the length of the amendment itself. I venture to respectfully suggest to Your Honour that you might reserve your decision in relation to the matter to hear further representations in connection with it.

Mr. Pickersgill: Mr. Speaker, perhaps I may say a word on the point of order. I would direct Your Honour's attention to a supply motion, that apparently has escaped the attention of the parliamentary secretary, which was made in 1932 by the then member for, I am not sure whether it was Kenora-Rainy River, or Kenora—it was Mr. Heenan, in any case—seconded by Mr. Mackenzie of Vancouver Centre, two very eminent parliamentarians. It went on at quite great length, as the present amendment does. It set out quotations, not from statements by ministers made in the house and in other official publications, but statements from the press to support the position taken in the substantive part of the amendment.

I would also draw Your Honour's attention to the fact that notwithstanding the length of the preamble, every aspect of the preamble relates directly to the budget speech. Also, the substantive part of the motion is as short, simple, comprehensible and direct as it could possibly be. It asks the house to resolve that the financial policies of the government do not deserve the confidence of the house, and I cannot believe the government is afraid to put that proposition to the hazard of our votes.

(1) "We are in the midst of a period of marked expansion in the Canadian economy. We welcome it, but we do not wish to see it mushroom into a boom which would set loose the forces of inflation. What we must all desire is orderly growth without inflation. That must be the goal of policy in this year of expansion 1960".

(Minister of Finance, Canadian club,
Toronto, January 11, 1960)

(2) "Present indications suggest that the unemployment figure for this winter will continue to be lower than that of the year before".

"The outlook for the coming year gives us every reason for confidence..."

(Minister of Labour in his New Year's message, December 30, 1959)

(3) "Subsequently, the pace of advance again quickened and key economic indicators are presently pointing toward further expansion. The international economic climate at this time appears particularly favourable".

(Minister of Trade and Commerce—
Prospects for the coming year,
December 23, 1959)

(4) "What about the recession? Everybody knows that the recession is over".

(Minister of Labour, House of Commons,
January 29, 1960)

(5) "It is not only the government that claims the recession is over... I am very much surprised that the only people I hear expressing contrary points of view on this matter are the opposition in this house".

(Minister of Labour, House of Commons,
March 3, 1960)

(6) "I am confident, however, that employment will rise as the coming of spring opens up new job opportunities and as the economy continues its upward trend".

(Minister of Finance in his budget address,
March 31, 1960)

(7) "I expect that the forces of expansion will continue during 1960 and that the rates of increase we have experienced in 1959 should be maintained throughout the year. Within this framework, I am basing my forecast of 1960-61 revenues on an increase in the gross national product in 1960 of about 6 per cent, or to a record level between \$36½ and \$37 billion".

(Minister of Finance in his budget address,
March 31, 1960)

(8) "I expressed my belief in an early improvement in the unemployment problem and I still do".

(Minister of Finance, House of Commons,
April 12, 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:

(1) "If we do not take this approach we will probably be faced with a worst situation next year... This hard core of unemployment is building up and accumulating. It is now becoming a menacing long term problem and if we should face another recession with the chronic unemployment of this period remaining high, then we would be in very serious trouble indeed".

(Leader of the Opposition, House of Commons,
March 3, 1960)

(2) "Past experience and certain trends indicate that a fourth post-war cycle may develop again soon. Surely, Mr. Speaker, we should be prepared for it; surely, we should plan against the danger of its recurrence before long".