

Ways and Means

product. I notice on page 11 of the same report, incidentally, the statement that institutional services are expected to increase their investment amounts to \$220 million and that government departments are expected to increase theirs by \$159 million for a total of \$379 million. This clearly indicates a decrease in the private sector of our economy as compared with 1960 of \$45 million. Thus, upon the facts, the minister cannot substantiate his prediction about growth. I noticed a report in the *Globe and Mail* out of the Ottawa bureau dated March 27. It stated:

D.B.S. reported that Canadian industrial production dropped back in January after climbing for 10 months, the fall being even more severe than in the United States.

It went on:

Today D.B.S. reported that the seasonally adjusted industrial production index in Canada dropped by two points, declining 1.2 per cent to 178.6 from 180.7 in December.

The bureau said mining production dropped by 1 per cent and manufacturing by 1.7 per cent, while output of electric power and gas utilities rose by 3 per cent.

Two thirds of the decline of the manufacturing index was in the durable goods field, which has been one of the driving forces behind the economic recovery so far.

I have another complaint against the minister and his administration in that I feel he is continuing to be guilty of mismanagement of the public debt. Our public debt is predicted to increase by some \$800 million in this year. His past position has been remedied only by his manipulations of our foreign exchange reserves and by a kind of phony retirement fund or public debt retirement fund that he established at the time of his last budget. We have heard the Minister of Finance present his budget speech to this House of Commons. However, only a few days later our Prime Minister rises in his place and announces an additional expenditure of over \$100 million which were not reported in the budget. I can assure the Prime Minister that I am confident that even the people in the Atlantic provinces could think of many more useful ways of spending over \$100 million than on this proposition which I have been told is not going to even begin to cover the cost of engineering surveys.

Mr. Diefenbaker: Who told the hon. gentleman that?

Mr. Regier: The Prime Minister might be shocked if I revealed this information to him. However, I am not one to reveal confidences. The needs of the Atlantic provinces are great. However, I am convinced that the government has no intention of carrying out its announced project of building the causeway connecting Prince Edward Island to the rest of Canada as \$100 million bears no relationship to any realistic assessment of what the

actual cost would be. It is very nice to announce this project only nine weeks before an election date. However, I know that the people of the Atlantic provinces have taken a keen interest in education in the past century and more, and that they are not going to be so stupid as to be bribed by this particular announcement. I know they will take it for what it is worth. I am not saying that the causeway should not be built. However, we have yet to hear or to have reported to us an analysis of the situation. Who knows what else may be promised the people of Canada within the next eight weeks? With the lack of confidence I have in our Prime Minister's sense of economics and of finance I am quite prepared to believe that he may indeed be willing to offer a \$10 million bribe to each of the 265 ridings in Canada.

The Chairman: I am sorry to interrupt the hon. gentleman but I must inform him that his time has expired.

Resolution reported and concurred in.

Mr. Fleming (Eglinton) thereupon moved for leave to introduce Bill No. C-89 for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1962.

Motion agreed to and bill read the first time.

Mr. Deputy Speaker: When shall the said bill be read a second time?

Some hon. Members: Now.

Mr. Deputy Speaker: By leave, now.

Mr. Fleming (Eglinton) moved the second reading of the bill.

Mr. H. W. Herridge (Kootenay West): I just wish to ask the Minister of Finance one question. Is this bill drawn in the usual and accepted form?

Mr. Fleming (Eglinton): Yes, sir.

Mr. Hellyer: And all rights reserved for free discussion in due course?

Mr. Fleming (Eglinton): This is not interim supply.

Mr. Pallett: Keep that question until later.

Mr. Hellyer: I am sorry; I will save it.

Motion agreed to, bill read the second time, considered in committee, reported, read the third time and passed.

SUPPLY

The house in committee of supply, Mr. Martineau in the chair.