

Disabled Persons Act

Mr. Pearson: "If"; yes, that is a good question. It was not continued under a Tory government.

An hon. Member: It was down the drain before that.

Mr. Pearson: If that production had been extended, the increased production in this country during those years would have amounted to \$15 billion.

An hon. Member: Wasted years.

Mr. Pearson: And the revenue during those wasted years, the revenue from those \$15 billion, without any alteration in the level of taxation at all, would have made it possible to meet these extra expenses without a deficit of any kind. That is the answer to the Prime Minister's question. It is not an answer they like to hear. Our national production in this country used to increase in the years before 1957, going back to the end of world war II, at an average rate of 4.6 per cent a year. Under the present government—and here is the answer to the question, why have we got a deficit—

Mr. Walker: The hidden report.

Mr. Pearson: Here is the answer to the question. Under the present government the increase has been, on the average, 1½ per cent a year; only one third what it was before 1957. The increase in production during those wasted years has not been enough to increase our real wealth as individuals. It has been smaller than the increase in population, even though this government has managed to keep population, so far as immigration is concerned, down to a minimum.

How can we avoid unemployment in that kind of stagnant situation? How can we avoid mismanagement of the nation's business, and large deficits? The Prime Minister says, "What would you cut out?" It is not what you would cut out, but what you would get going that matters and—

Mr. Starr: May I ask the hon. member a question?

Mr. Pickersgill: Sit down.

Mr. Pearson: I will do what the Prime Minister refuses to do; I will be glad to be asked a question.

Mr. Benidickson: He has refused for months.

Mr. Starr: Would the Leader of the Opposition explain what caused that situation in the economy of the United States?

Mr. Pickersgill: Oh, blame the Americans.

Mr. Starr: I am asking a question.

Mr. Pearson: It is the tendency on the other side of the chamber, an ineradicable tendency, if anything goes wrong to blame it on the Americans and to compare the situation here with the United States.

An hon. Member: Answer the question.

Mr. Pearson: The Minister of Labour, when he intervenes in this debate, can answer his own question by explaining to me why it is that the United States administration is budgeting for a balanced budget this year. If the United States administration can balance its budget, why do we have to have a \$750 million deficit in this country—

Mr. Benidickson: And that is the minimum.

Mr. Pearson: —especially, and I commend these words to my hon. friend, as the United States is spending a great deal more on defence than we are, as much on social security as we are and, according to my hon. friends—although they are not correct—there is more unemployment in the United States than there is in Canada.

Mr. Jones: The rate of growth is much lower than in Canada.

Mr. Pearson: That is not correct, but that is the argument they use. My hon. friend the Minister of Labour will no doubt explain to the committee how, with all these factors at work in the United States, these high defence expenditures, these enormous social security expenditures, this high level of unemployment that they talk about, the United States does not have these enormous deficits we have had in this country.

Mr. Benidickson: The Minister of Labour wants to lean on Washington.

Mr. Starr: If the Leader of the Opposition would answer my question, I would be glad to answer his.

Mr. Pearson: I think I have answered my hon. friend's question more satisfactorily than he will be able to answer mine.

Mr. Starr: Oh, oh.

Mr. Pearson: If we could have kept the economy going, and we will get it going again after the next election—

Mr. Pigeon: You will not be here after the next election.

Mr. Benidickson: It will be soon, we hope.

Mr. Pearson: —we would not have had deficit after deficit in these wasted years.

Mr. Jones: You did not give any more to the provinces or raise the old age pension.