

*The Budget—Mr. Hamilton*

impression of the budget. In effect, the minister's proposals seemed to be lacking in that desire to take the firm action which was a characteristic, rightly or wrongly, of the previous minister of finance.

I recall, too, that in speaking in the budget debate last year I had some fun—at least it was amusing to me—in saying that the then minister of finance was riding high and the future minister of finance was downgraded. I recall vividly how the then minister of finance went over, put his arm around the then minister of trade and commerce and showed that fellowship which can only be achieved in the House of Commons. Continuing the next day, I think it was, the then minister of trade and commerce spoke in the debate and said he would stand or fall with his colleague the minister of finance.

Well, Mr. Speaker, last Tuesday night at least he was standing in the same place and I cannot help but comment on the little by-play that we saw at that time. If the previous minister of finance was following nationalistic policies that are 60 years out of date, I think it can be said of the present Minister of Finance that he is only 25 years out of date. If, for instance, he thinks the idea of enforced savings—a policy we used during the war—can be implemented in peacetime, I say it is of some doubtful validity. I shall deal with that subject later.

Last year the minister supported his predecessor's proposals. Last year the minister and his predecessor ignored the clear and present warnings which we on this side of the house gave about inflation. Last year the Minister of Finance indicated that he would stand or fall with his colleague. This year I think one can say he has done nothing in particular, and has done it very well.

I was moved during the budget debate last year, which has been referred to as the election budget, to observe that the then minister of finance was sincere. I still hold that view, and I believe that the present Minister of Finance is equally sincere. It is just that there is something lacking in the sense of taking dynamic action. I know that the minister's failure will come as a disappointment to one member of this house, a Liberal member whom I shall not mention by name. This man is loyal to his colleagues; he is a man who believed that the last election was necessary and wrote to his supporters with a forthrightness which one can only admire. I should like the minister to hear what this loyal, dedicated Liberal wrote

to his supporters in a letter dated September 13 last:

To my friends . . . :

An election has been called for November 8th. I am pleased that the Prime Minister has decided to hold one.

Canada faces some critical and difficult problems in the next year and I believe that it must have a government with a clear mandate and a working majority to deal with them. The present minority government has achieved much in two and one half years. The country is very prosperous. Many people, including some editorial writers, generally believe that we should have carried on, but I have lived and worked in this parliament and I believe that an election now is in the interests of this country.

It is vital that Canada have a government that can act in the general interest of the country as a whole with the confidence that it won't be defeated tomorrow on some unimportant issue or by accident.

I am particularly concerned about the tough, hard decisions which must be taken to preserve national unity and ensure steady economic progress. These decisions must be taken without more delay or Canada will suffer. To be specific:—

● (4:30 p.m.)

The government at Ottawa needs a working majority to deal effectively with the provinces—all of which, like Ontario and Quebec, have majority governments. Continuing and difficult negotiations will have to be carried on with the provinces in the years ahead. No government can defend the national interest on the vital problems facing confederation—and on which decisions are being made now—unless it has a clear mandate from all parts of the country.

There is an urgent need to reform our tax structure. Canada's railway system badly needs modernization. Our banking laws are urgently in need of improvement. Decisions in these fields require firm, confident handling, backed by a mandate from the people and a solid backing in the House of Commons.

None of these matters can be put off. We must face them now. If we don't Canada will suffer.

I will again be presenting myself to the Liberal nominating convention as your candidate. I have deeply appreciated your support in the past and I ask for your help in the days ahead.

Then, the signature follows. This letter was not written by the ex-minister of finance. This letter was written by a Liberal, appealing for nomination, who would tackle these hard problems with bold decision and in dynamic fashion.

The tragedy of this budget, Mr. Speaker, is that the minister has not faced up to the fundamental decision which confronts Canada, and that is how to utilize the human and material resources of Canada so that the economy can operate closer to its essential capacity. The minister's policy would leave these human and material resources for ever and ever untapped at a time when consumer demand is there.

The minister is like King Canute; he has ordained that consumer demand should stand