

*The Budget—Mr. Keays*

"courageous". The minister has displayed a courage which is synonymous with the Progressive-Conservative party and with Conservative policy ever since confederation, especially since 1957.

Whenever a Conservative government has followed a Liberal government it has been necessary to introduce legislation to protect the financial structure of our country and the well-being of Canadians. Why has this been so? It has been so because the official opposition, when they were occupying the government benches, were giving to this country a careless and lackadaisical administration. Fortunately they were taken off the hook occasionally by forces from outside our economy. Whenever the economy needed legislation to combat weaknesses this has been introduced when the Liberals were out of power.

I do not intend to rehash the statements that have been made concerning the condition of our economy in 1957. I should say, however, that it was a godsend that the population of this country decided to put in power a government with such dynamic leadership and with a minister of finance who was dedicated to the task of putting Canada back in the state of expansion, full employment and a full economy.

There are those who will say that the present conditions do not justify this statement. Truer words were never spoken than those of the Prime Minister (Mr. Diefenbaker) when he said that the underbrush must be cleaned up and that action must be taken. Mr. Speaker, now is the time of action. Now is the time when this government is moving forward to fulfil the wish of all Canadians for full employment.

Let us look at the throne speech. Never before was a more comprehensive plan given to the Canadian people. It was an attack upon those germs which have crept into our financial composition, not since 1957 but since the early days of the fifties when the handwriting was on the wall and no action was taken. Was it not evident then that automation, shortage of money and a changing economy would have warranted some action? The causes were evident and the effect was driven home. However, lackadaisical and careless administration reigned and stagnation set in. As I have mentioned previously, a few bright spots appeared but they were non-recurrent and hence the slip to a slow pace in our economic expansion.

As to loans to small business, it is true that the Liberals said they thought of that matter. Prior to this government coming to power they were thinking of so much legislation that they did not have time to introduce it. The effect of this legislation will be tremendous.

[Mr. Keays.]

During the recent recess I had the opportunity of speaking to business people who were extremely enthusiastic about plans to modernize, improve and extend the services to the public. It remains to be seen how the chartered banks will play their part and how they will contribute to the welfare of that segment of our business people who have no access to revenues from the sale of bonds and debentures or who cannot qualify for loans from the industrial development bank.

The chartered banks have contributed to the existence of small business and I would not say, as is indicated in an expression commonly heard, that the banks lend you money only when you can prove to them that you do not need it. They made a contribution but on the assurance from the financial statement or the assets of the borrower that he was able to repay it on a short term basis. Under present economic conditions and in a changing economy where patterns of business administration are different, the banks must live. They must make loans to those who need them; and with the legislation which has been passed they should lend more money to those in the small business sector. That they have a responsibility with respect to the productive capacity of this nation is beyond doubt and I am sure that they will answer to the call. This being done, investment by small business will put many hundreds of millions of dollars to work in our economy in every sector of the country. Secondary industry, which is the key to full employment, will develop and will walk hand in hand with steady national growth.

The opposition always seem to say that nothing has been done to alleviate the problems of today. What about the productivity council, this bold and imaginative bit of legislation? Getting the brains of primary and secondary industries together with the purpose of finding a solution for those problems of our productive industries, will be of great benefit to this country. I will not delve into the sound effect of a productivity council. However, I would refer hon. members of this house to the speech made in December last on third reading of this bill by the hon. member for Halton (Mr. Best) who spoke about our productivity council. In it there was information which was extremely valuable.

**Mr. Pickersgill:** Mr. Speaker, I feel that I must rise on a point of order. I do not think that anyone would take the slightest exception to the hon. gentleman's referring to legislation that had already been passed by the house in the present session. However, when it comes to quoting what other members have