

The Address—Mr. Diefenbaker

New Highs"; *Financial Post*, "Canadians Will Run Up Record Tourist Mileage All 1963 Signs Indicate". The hon. member for Brandon-Souris (Mr. Dinsdale), as the former minister in charge brought about the expansion of tourist development during our period of office. It increased to such an extent as a result of our action in pegging the dollar that in 1962 we had the lowest deficit for many years in tourist expenditures.

Here are other headlines: *Financial Post*, "Liberals Riding Upturn"; *Toronto Telegram*, "1962 Best Year On Record Possible". The *Toronto Star* refers to the tremendous expansion in automobile production and in employment in connection with it. Here is one in the *Globe and Mail*: "Predict 1963 Record In Chemical Sales".

Canada's economy has enjoyed a high plateau of achievement ever since the upturn registered early in 1962. If the problems were so easy to meet why were they not met in the United States? I remember the promises of 1960, the new frontier and what was going to be brought about. What about meeting unemployment there? Look at the record and you will find that we in Canada have done better than has been done in the United States in meeting a problem that has always been serious in our country by reason of climatic conditions.

Sir, the steel industry is a sound basis for Canada's economic progress. It is advancing as never before. An economy that was supposed to be receding has exceeded the forecasts of the Minister of Finance (Mr. Gordon) when in 1956 or 1957 he, as head of a commission, produced a report forecasting the future. Last year was the greatest in steel-making history. Production was up 10 per cent and home market saturation around 87 per cent. Exports exceeded imports for the first time. Already Canadian steel exports appear to be running ahead of the Gordon commission's forecast of 12 million tons by 1980.

And so on. I could mention various industries and the expansion that has taken place. While the Liberals ridiculed we worked to bring about policies to strengthen the economy. In December, 1962, the *London Economist* reported that Canada had outstripped every other nation in the world in the rate of economic growth. I want to pause here and say that with the kind of policies announced in the speech from the throne the expansion this year will not equal the expansion that took place last year compared with the preceding one. I make that prophecy on the basis of the uncertainty of the nebulous promises contained in the speech from the throne.

[Mr. Diefenbaker.]

The gross national product was over 8 per cent higher by value last year than in 1961. Again I point out the prophecy that was made by the Minister of Finance when he was a commissioner in regard to gross national product. Employment was higher month by month in 1962 than in 1961.

The latest figures show that 90,000 more Canadians were employed in April 1963 than in April 1962. This is the fourth month in a row in which unemployment has been lower than in the corresponding month of the year before. Labour income exceeds the 1961 figure by 6.8 per cent, and this is a new record. While we did not have the support of big business in many areas or in many fields of industry, corporate profits in 1962 were 12 per cent higher than in 1961. It is well known that without profits there are no jobs.

Foreign trade reached an all-time high in 1962. An unprecedented increase occurred in exports and in that year there was a surplus of \$155 million in exports over imports. When we took office what was the position of those giants of intellect that today occupy the front benches? What was the position when we took office? Well, in 1956 there was a trade deficit of \$713 million. Those were the halcyon days. We brought about a surplus in 1961 and 1962 when the challenge to our trade in every part of the world was infinitely greater than it had been following the war.

Mineral output was up 10 per cent during 1961 and there was a record production of nickel, copper, asbestos, crude petroleum and natural gas. What about the developments in western Canada in connection with oil? Markets were found in the United States and kept, as a result of which there was a tremendous expansion unequalled in the history of the petroleum industry. The construction of new residences was 8 per cent higher in 1962 than in 1961. Business investment in non-residential construction, machinery and equipment rose 4 per cent in 1962.

Sir, I place these figures on the record in order to answer the sham arguments that were advanced, and effectively advanced by those who today speak for the government of this country. Canada has never enjoyed a sounder business climate than that reflected in the 1962 figures which showed higher consumer spending, restocking of industry and general progress. Do you remember, sir, how they ridiculed us when we pegged the dollar? They said it was a frightful thing to do, and Canada would be bankrupt. They filled Canada with counterfeit dollars on the back of which they indicated there would be a tremendous increase in prices. They knew better than that. The high priest and prophet of