

The Budget—Mr. Dinsdale

These are the three propositions, and I will just outline them briefly. The first is as follows:

The dominion must be expected to take the lead in devising and implementing policies designed to prevent future economic depression and establish measures of general social welfare.

The second is:

The provinces must not be allowed to lose in the process their individuality, power, and prestige as autonomous authorities and essential parts of the federation.

The third is:

No system of per capita grants to the provinces will be able to displace entirely payments made on a basis of fiscal need, and any permanent settlement will be compelled to adopt some variant of the Rowell-Sirois recommendations as a supplement to the present proposals. To ignore this fact is to ignore the whole history of dominion-provincial financial relations.

I merely put that on the record as a reply to the statement made by the hon. member for Fort William, that this is merely a problem between one province and the federal government. It is a far-reaching problem and goes right to the heart of confederation.

Leaving that subject to those who are more competent than myself, I want to return to the budget. As I listened to the budget speech just a week ago tonight I came to the conclusion it was a very intriguing budget speech from the standpoint of the opposition. The previous budget speeches to which I have listened since coming to the house were full of soaring optimism with respect to Canada's buoyant economy. This was far from being the case in the budget under consideration at the moment. Instead I found that the minister's remarks were full of cautious, carefully-chosen phrases, many of which echoed opposition criticism that has been heard in the chamber during the budget debates of recent years.

He used such phrases, for example, as "there is a temporary slow-down" due to an "improved supply position", and "there is a necessary cost and price adjustment." This was most unusual as we contrasted it with the buoyant optimism of recent years. One may also recall some of the slogans heard last summer during the election campaign. There were slogans to the effect that if a Liberal government is returned to office Canada will have prosperity, but if any other group is returned to office there will be depression and chaos.

I recall also, just two weeks before August 10, travelling through the rural area of my constituency. The grain was rolling into the elevators and all the farmers were rejoicing because apparently there was an inexhaustible market for the bumper crop they were harvesting. I remember the queues lined up

before the elevators after the restrictions were entirely removed. It was not long, of course, until the elevators became completely plugged. From the remarks made by the Minister of Trade and Commerce (Mr. Howe) in this chamber this afternoon the elevators apparently still remain in that position.

I could go on to the throne speech debate and recall the Conservative amendment introduced at that time to the effect that the prosperity and security of all Canadians would be advanced by government policies which would restore markets for primary products and generally promote a high volume of trade. In this regard the Minister of Justice (Mr. Garson) and myself sometimes write for weekly papers. The editors are very fair-minded, I believe, since they publish our columns side by side from time to time, thus giving our respective viewpoints from this chamber. I feel that is an excellent idea. I recall the comments made by the Minister of Justice after our amendment was moved. He said he felt reluctant to vote against that amendment because that is exactly what the Liberal government had been doing, that is restoring markets or promoting markets for primary products and generally promoting a high volume of trade.

Now, just a few months later we are confronted with a budget that is extremely cautious and manages to muster only a slight feeling of optimism. On the whole, it is a stand-pat budget. When the Minister of Finance (Mr. Abbott), as he did last Tuesday evening, speaks of a slow-down or a four per cent decline in exports and an unpleasant unemployment situation, it would indicate there has been a rather rapid change in the economic climate of this country.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

Mr. Dinsdale: Mr. Speaker, when the house rose at six o'clock I was referring to the rather unique position in which the opposition finds itself in relation to this budget, particularly with reference to the cautious approach of the Minister of Finance in his budget statement a week ago tonight.

The minister did not say so in so many words, but there is implied in some of the statements he made the view that the situation is perhaps more serious than appears on the surface, and his careful use of what we might call "Ottawa semantics" was designed to camouflage the situation to a certain extent. We know that semantics is