

*The Address—Mr. Stenson*

I feel everyone was disappointed in the speech from the throne, mainly because it did not outline any proposals to bring help or relief to our secondary industries. When I say there is nothing in the speech for secondary industry it means there is nothing there for the working man, because industry and labour are closely tied together. These industries are the backbone of Canada's economy and should be protected instead of being harassed by further taxation.

In my own constituency of Peterborough we have many such industries, and they are finding the tax on production machinery and building materials, as well as the withholding tax, an added cost to production which is almost impossible to bear when it is considered that production has to compete on world markets.

Looking over the speech from the throne I find it says:

At home there has been a heartening expansion of the economy. Employment has increased at an accelerated rate.

In this connection, too, I recall that speaking a week ago Wednesday the Prime Minister said the state of our economy was good. In his words:

In recent years in Canada we have not had the vigorous economy which our people need in order to maintain the employment which is desirable.

I feel he must have been thinking of the years before 1957. The right hon. gentleman went on to say:

Without wishing now to give any suggestion of complacency about our economic situation, it is gratifying to be able to say that it is better, that prospects look more promising than when we convened for the first session of this parliament.

Mr. Speaker, I disagree wholeheartedly with this statement. I would like to ask the Prime Minister and his ministers to visit my constituency and talk with the manufacturers and contractors to find out what they are saying about the present government and its attempts to stimulate the economy of this country. The Prime Minister would hear a completely different story. I also know that this opinion is not confined to my constituency but is to be found all across Canada. The Prime Minister also stated:

The year 1963 was one of considerable gains in almost all economic sectors.

I would like to remind him that these conditions did not just happen overnight, nor were they helped by the 60 days of decision. They were the direct result of the economic planning and trade promotions carried on during the Conservative rule. It was through the efforts of the government of the party I represent that we are enjoying industrial expansion in Canada today. The former government brought to Canada many buyers

carefully chosen from all parts of the world. They promoted trade shows where industries could and did receive many export orders. They brought businessmen together to discuss ways to improve industrial expansion. The export credit insurance measure was set up and is now being carried on by the present government. It has been very successful in procuring export contracts. Our dollar was devalued, and this action received much criticism from this government; but what has been done about it? Of course it has been continued, because this government knows it is favourable to our trade and a stimulant to our economy.

Now may I come back to the words of the Prime Minister:

The year 1963 was one of considerable gains in almost all economic sectors. Business operated closer to capacity than it has for years.

Those words are true, Mr. Speaker, but this improvement is not as a result of action on the part of the Liberal government. It is because of the very sound policies set up by the Conservative party. The Minister of Finance did harm to the Canadian economy with his last budget. I think this was illustrated in the question period this morning. But I do not think all the blame should be put on the Minister of Finance; the Prime Minister and the other ministers should take part of this blame. This is why I have invited the Prime Minister or any of his ministers to come to my constituency, or any constituency where there is industry and economic expansion, to get the true feeling of the manufacturers in these areas.

I would like to point out that if our industries are not protected, the good times mentioned by the Prime Minister will not continue for too long. I have discussed this problem with manufactures in my own constituency, and they feel the tax on production machinery is a blow to the Canadian economy. As for foreign ownership of Canadian industry presenting a national problem, I suggest it is not as critical in so far as establishing a healthy Canadian economy is concerned as many people apparently believe. Canada has a constant and growing need for development capital and, as the editor of the Peterborough *Examiner* pointed out this week:

One need only look at provincial and municipal debt to know that it could not be completely financed in Canada.

Even this government is not above going to the United States to borrow money. There is no question in my mind but that it is desirable to increase equity holdings where foreign ownership exists in Canadian industry. I think, however, this should be accomplished in a gradual way and by methods of