

*The Budget—Mr. MacInnis*

Mr. ABBOTT: "The minister went on to state"; I did not use these words.

Mr. MacINNIS: No; the minister did not use these words, but they are close to what he said and contain the implications of what the minister intended.

Mr. GILLIS: Read the words again.

Mr. MacINNIS: "In these uncertain and abnormal times" particularly if a substantial recession should occur in the United States later this year.

Mr. ABBOTT: "Particularly if"; of course.

Mr. MacINNIS: Yes, "particularly if."

Mr. MICHAUD: We could not have a depression here.

Mr. GILLIS: We have it in half the country. Take your own province of New Brunswick.

Mr. MacINNIS: Then, at page 2548 the minister said:

Moreover, our revenues are based on very high levels of production, incomes and imports which we probably cannot expect as normal levels in future years.

Mr. ABBOTT: There is no suggestion there of an immediate depression. That is a perfectly clear statement of fact.

Mr. MacINNIS: As I said before, it depends exactly on what the minister means by "immediate". Indeed in one place he referred to the possibility of a depression occurring in the United States this year.

Mr. ABBOTT: I want to correct my hon. friend. I did not use the word "depression" at any point in my speech.

Mr. GILLIS: Recession.

Mr. MacINNIS: I do not think that is correct either.

Mr. ABBOTT: You will not find it. I can assure my hon. friend he will not find it there.

Mr. MacINNIS: I shall find it and show it to the minister afterwards.

Mr. ABBOTT: If I were a gambling man I would offer a small wager.

Mr. MacINNIS: I am not a gambling man but I do not mind taking a chance on a sure thing.

I wish to say a few words on dominion-provincial relations and social security. As I said the last time I spoke in the budget debate, I am not going to try to apportion the blame for the break-down in the dominion-provincial conference. But since the responsibility for convening the conference of necessity rests on the dominion government, the dominion government should call the conference again as

[Mr. MacInnis.]

soon as possible. I would say "as soon as possible" is as soon as the session has finished. That conference should continue in session until an agreement is arrived at, or until it is made clear beyond the possibility of a doubt who is preventing an understanding.

An agreement on taxes is only a small part of what must be done if we are to attain for the people of this country the economic advantages and social security which can come only from cooperation between the dominion and the provinces.

There is an urgent need in this country for a national social security programme that will be adequate in its provisions and that will apply all across the country. It must make provision for every Canadian citizen who for any reason is prevented from earning a living. I have before me the proposals of the dominion government to the dominion-provincial conference of 1945. These proposals were drawn up some time in the summer of 1945 and at least to a person of my way of thinking they make good reading. I will quote just two or three paragraphs from page 1:

The preparations must be undertaken against the background of severe depression and the enormous dislocation of war. Under the conditions which existed for nearly a decade prior to 1939, the Canadian economy did not provide adequate opportunities for employment and enterprise; the deficiencies in the provisions for social welfare became strikingly apparent; the structure of government finance in our federal system developed basic strains and weaknesses. The war came before solutions to these problems were reached.

And on the same page:

The demonstration of the potentialities of the Canadian economy has been one of the outstanding features of the past few years. In a relatively short time national production was doubled. Nearly one-half of this greatly expanded output was devoted to war. In spite of this large effort, the general level of civilian consumption was not reduced; for the lower income groups it was significantly increased.

If we can do that in war; if we can do that when a big share, perhaps half of our economy is devoted to war, is there any reason why we cannot do it in a peacetime economy? If any province or any number of provinces are standing in the way of that being accomplished, these being the proposals of the dominion government, it is up to the dominion government to let the country know who are preventing these things from being done.

To me the disturbing factor is that the government does not seem any longer to be interested in its own social security programme. It seems to have given up the idea, if it ever had one, of instituting a wide pro-