

The Budget—Mr. C. Cameron

commodities but capital goods for the manufacture of commodities, to various countries of the world, and of course inevitably those countries entered the markets of the world in competition with Britain. We are therefore facing the inescapable results of a competitive and private profit-making enterprise system, and all the loud cheers of prosperity ahead will not enable us to get over that situation simply by words.

I suggest, Mr. Speaker, that a more realistic point of view would be to recognize the fact that the world is again approaching that stage when decisive international action will have to be taken at the cost of many cherished traditions, institutions and illusions which our society has fostered. We shall have to face the fact that the only solution for mankind with our appalling productive capacities is to plan for world-wide co-operation rather than to attempt to compete one with the other, to attempt to drive others out of our markets and drive ourselves into their markets, which must of course only mean further international dislocation.

The Minister of Finance also made another very striking and very revealing comment with regard to the economy of Canada. He said at one point that he recognized of course his optimism was based on the assumption that the present economic recession in the United States will grow no worse. Then he had this to say on page 3725 of *Hansard*:

A significant change took place in the direction of our export trade. Sales to the United States rose by over \$100 million, while the proportion of our exports going to the United Kingdom and other commonwealth countries declined, reversing the trend which had prevailed during 1952.

There is a clear statement of the very state of affairs which hon. member after hon. member has complained about since the opening of this session. Here we have a plain statement from the Minister of Finance that under his government's auspices our trade has been channelled even more firmly to the United States market than it was before. No wonder he bases his assumption of continuing Canadian prosperity on the continuation of United States' prosperity. Because any doubts or hesitations he may have in his mind about the United States economy would, of course, undercut all his assumptions about a prosperous future for Canada.

Now these instances, Mr. Speaker, indicate to me that this government is still playing the role of Micawber and is still hoping that something will turn up; still hoping that by some miracle we can get past that rock upon which our economy nearly foundered in

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the thirties; still hoping by some magic of international agreements—Heaven knows the last thirty years is strewn with the wreckage of international agreements—we shall overcome this inescapable contradiction of a profit-making society, the contradiction of each one of us forcing our goods on the other in order to balance the trade of every nation in the world.

I have wondered, Mr. Speaker, whether other members of the house have been struck, as I have, with the most outstanding feature of this budget; the one that hits you smack in the eye when you read the accounts of the Minister of Finance. It is the fact that Canada is still spending 43 per cent of her revenues on defence projects. One might have thought that in the light of the recent revelations with regard to the development of thermonuclear weapons of war there may have been some hesitation on the part of this government to continue a program which must have been instituted long before these revelations were made. But there has been no suggestion from the government that they have in any way considered recasting their plans for the defence of Canada, in spite of the fact that the United States has given us clear hints of that and disturbed us very much; despite the fact that Great Britain has announced a similar recasting of her plans. We hear no indication at all from the government of Canada that it is actually contemplating coping with the situation with plans governed by these recent rather terrifying developments.

One can see, Mr. Speaker, that even useless defence expenditures have a certain psychological value; that is to say they do comfort people in the thought that possibly they are protected from the danger of attack. I can recognize that psychological value very well. If I may be pardoned for referring to an incident in my own history, I recall an incident of the first war. Three of my comrades and I were overtaken by shell fire at night. We jumped into a disused trench and crawled under a shelter that was placed across the trench. We sat there quite happily, quite confident we were safe from flying pieces of shrapnel. When we got up to go after the shelling was over one of my comrades, upon reaching up, discovered we had been sitting underneath a blanket all that time. There is no doubt about it, it increased our equanimity greatly. We sat there in considerable comfort. No doubt even the expenditure on equally useless weapons of defence has the same comforting influence on the people.

I am not suggesting for one moment that it may not be necessary to spend all of \$2 billion, perhaps more than that, on defence