

the minister's imposing figures, dry goods shelves are still empty, and we still cannot find houses to live in. I suggest that far too much of the minister's speech deals with money, and far too little with things.

The minister went on to explain how this level of national income was being maintained. He pointed out, very fairly, the things we know—the large gratuities of various kinds to the troops through various departments. He pointed to the big backlog of savings accumulated during the war which are now available for civilian expenditure, and thirdly he referred to our export trade. He emphasized very properly the fact that this export trade is being maintained largely if not wholly by loans which we ourselves make. We are making loans not to pay for imports but to pay for exports.

The minister has so little in the budget to take satisfaction from that I hate to question what little he has. Nevertheless I wish he had not left the feeling that things were promising quite so well. As I consider the inevitable

shrinkage which we hope will take place in government expenditure, and the condition of those countries in Europe whose trade means so much to us, I find the minister's picture tinged with a certain unreality. I should have been more pleased if he had spoken more gravely than he did. It is quite true that he made an appeal for production and used serious words, but to me the picture he painted took the urgency out of those words. My feeling is that unless we can prevent production costs from rising and produce more efficiently, export markets may be hard to find and our home market will begin to dwindle, and if that happens, not all the efforts of finance will find us full employment.

With the consent of the house I should like to put on *Hansard* tables IV and V of the Bank of Canada Statistical Summary for April-May, 1946. An examination of these tables will show already some signs of shrinkage of production, which will do something to alter the minister's bland optimism. The tables follow:

IV.—BUSINESS ACTIVITY

APRIL-MAY, 1946

Dominion Bureau of Statistics

	PRODUCTION					Residential Construction Contracts Awarded	Car Loadings	Department Store Sales Index of Value	Employment Index (2)	Aggregate Payrolls Index (3)
	Gold	Nickel	Steel	Newsprint (1)	Central Electric Stations (2)					
	Thousands fine ounces	Thousands short tons	Thousands short tons	Thousands short tons	Millions kilowatt hours					
Annual Totals(4)										
1941.....	5,345	141	2,701	3,426	27,724	92	3,200	133.8	99.6	—
1942.....	4,841	143	3,121	3,177	32,506	79	3,386	149.7	113.6	128.3
1943.....	3,651	144	2,997	2,983	35,719	79	3,467	150.8	120.4	144.9
1944.....	2,923	137	3,024	2,992	35,151	131	3,661	165.7	119.8	148.2
1945.....	2,651	123	2,881	3,259	31,913	196	3,627	183.8	114.7	142.6
12-Months Ending										
April, 1946.....	2,693*	110*	2,786	3,554	31,642	216	3,622	194.8	112.3	139.4
Monthly										
1945—Jan.....	233.2	11.9	268.7	264.8	2,797	4.3	250	163.1	118.1	138.1
Feb.....	212.4	10.4	250.5	239.7	2,535	6.3	265	181.0	117.2	146.4
Mar.....	228.7	11.8	277.5	263.8	2,828	9.3	301	215.5	116.7	148.8
April.....	223.7	10.8	274.2	245.4	2,766	16.6	293	171.7	115.8	144.1
1946—Jan.....	238.5	6.9	244.6	328.4	2,709	4.8	287	182.4	110.2	127.6
Feb.....	229.1	6.2	233.9	308.4	2,488	9.3	263	215.6	109.5	135.5
Mar.....	248.4	7.8	249.1	334.1	2,748	15.7	302	258.7	109.4	137.3
April.....			247.5	337.9	2,708	26.9	282	207.5	110.3	138.9

(1) Source: Newsprint Association of Canada. (2) Total output less exports and secondary power. (3) Eight Leading industries. First of month. (4) Average of months in case of Department Store Sales, Employment and Payroll Indexes. * 12-Months ending Mar. 1946.