

*The Address—Mr. Noseworthy*

income is referred to as public expenditure. On page 15 of the white paper we read the following regarding public expenditure:

... it is the firm intention of the government to institute a system of managing its capital expenditures so that they may contribute to the maximum to the improvement and stabilization of employment and income.

The same statements are repeated in other forms on page 16 of the white paper. I shall take the time to read a few sentences from this page because they are interesting in the light of the Prime Minister's statement on February 20. On page 16 we read about:

The undertaking of advance planning of all necessary and desirable dominion projects so that there may be available a shelf of soundly planned projects, ready for execution when prospective employment conditions make it desirable to increase public investment expenditures.

Then again:

The implementation, in co-operation with the provinces, of a new dominion policy of expenditures on the development and conservation of natural resources.

A little further down:

The resources of the farm, forest, mines, fisheries and rivers, are basic to Canadian development, and prudent expenditure on their conservation and development will be true investment expenditure yielding valuable returns . . . such expenditures would provide some measure of alternative income in the areas affected by declines in export markets,—

Even in 1945, the Liberals thought there might be a decline in export markets.

—and thus would fight most of our depressions at the point of first contact, rather than after they have spread through the economy.

On pages 23 and 24 of the proposals to the dominion-provincial conference, there is a program of public works outlined in detail, the public works that were to constitute this shelf to be put into execution when signs of unemployment begin to develop. These projects are set forth under no less than 7 headings and 17 subheadings. This was to be the program of public works for which the federal government was to assume full responsibility. They are set out in great detail under 17 subheadings which cover two or three pages. Those works which the government was to undertake in co-operation with the provinces are set out under four headings, with 8 subheadings, occupying about two pages of that book.

We were told that the expenditures on those projects were to be timed so that they could be expanded in times of low employment, and would decline when employment was high.

At page 8 we read:

In periods of declining business activity arising perhaps from depression abroad, it is proposed that these expenditures will be boldly expanded.

[Mr. Noseworthy.]

That shelf concept was recognized by Liberal speakers and cabinet ministers during the June election of 1949; it was recognized by cabinet ministers from the Prime Minister down. Speaking in Moncton on May 19, as reported in the *Toronto Daily Star*—and unfortunately, or fortunately, that is the paper I usually read—the Prime Minister is quoted as having said:

Canada's employment now stands at record levels, and the government will seek to maintain it by promoting trade, natural resources development, and projects like the St. Lawrence waterway, and the trans-Canada highway.

Then listen to this:

Planned public works projects will be started as needed to provide work.

To me that sounds very much like a promise. I know that in his broadcast a few nights ago the Secretary of State for External Affairs (Mr. Pearson) said that the Prime Minister made no election promises. He repeated the statement the Prime Minister made after the election, on election night, in which he said that the one and only promise he made was that he would do his best. If that sentence "Planned public works projects will be started as needed to provide work" is not a definite election promise, then English words have lost their time-honoured meaning.

Speaking at Nelson, British Columbia, on May 28, the Minister of Fisheries (Mr. Mayhew), as reported in the *Regina Leader-Post* of May 30, stated that there was "a considerable shelf of projects" that could be put into action at short notice.

Again, in Stratford on June 3, as reported in the *Toronto Daily Star* of June 4, the Prime Minister is quoted as follows:

The Liberal party is pledged to do its utmost to maintain full employment.

Then at Hamilton on June 5, as reported in the *Toronto Daily Star* of June 6, the Prime Minister stated:

We Liberals promised to work for full employment in 1945, and we have had a higher level of employment in Canada than ever before. The maintenance of full employment is just as much a Liberal objective now and in the future as it was in 1945.

Then, and this is the point I want hon. members to note, he says:

But we are also preparing for possible emergencies when employment may need to be stimulated by even more direct action . . .

From end to end of Canada there are great potential development projects like the St. Lawrence seaway, which, within the next few years, will create a great deal of employment, provided we have faith in the future of Canada and provided we have the determination to translate our faith into action.

Judging by present circumstances it would appear that the Liberal government has