

The Budget—Mr. J. F. Browne

Finance (Mr. Fleming). It, of course, ties in closely with the comprehensive and continuing program that the government has been pursuing in order to deal with the problems of this country. In my opinion it will do a great deal to stimulate economic activity in this country, to encourage Canadians to invest in Canada and to bring as much ownership and control as possible of Canadian industry into the hands of Canadians. It will also do a great deal to increase our export trade and to create greater opportunities for employment in this country.

The parliamentary secretary to the Minister of Finance (Mr. Bell) this afternoon went into great detail in outlining the direct benefits from the budget and it is not my intention to repeat them at this time but rather to deal with the individual items in the light of the criticism that the opposition has made of the budget. First of all, we have had the usual kind of attack that we have come to know so well in the house, a policy which apparently started some time ago when it was first brought out by that bright young Liberal Mr. Templeton who told us on television that he hoped the forecasts of some economists were correct that there would be a recession in Canada because that eventuality offered the best hope of returning the Liberal party to power. Since that time the Liberal opposition in this house have pursued a policy of trying to strike fear into the hearts of Canadians, preaching their doom, gloom and destruction.

The hon. member for Kenora-Rainy River (Mr. Benidickson) when he started his criticism of the budget, said this kind of talk did not amount to much, it did not have any effect on the country at all. Then he went on to disprove that statement, because very shortly after he had said that it had no effect whatsoever on the country he went on to quote from the *Financial Post*, which had this comment to make at page 1037 of *Hansard*:

In a sharp break with all previous Canadian experience in the post-war years, consumers pulled back their spending during the first quarter"—

That is, the first quarter of 1960. Mr. Speaker, I do not know whether that is entirely accurate. Actually consumer spending was up very slightly in the first quarter of 1960, but it was curtailed when we compare it with the income that labour had. During this period labour income was at an all-time high. More Canadians were working than had ever worked in this country before, and certainly there was no reason why consumer spending should have been curtailed.

I would like to suggest to the house that it is the kind of fear that is being spread by the Liberal party in this country that has brought that about. I am sure the hon.

member for Essex East (Mr. Martin) will appreciate what I am speaking about when I say that a Canadian who is earning more than he ever earned before and who is working just as hard as he has ever worked before will say, "Well, the Liberal party is telling us that things are not quite as good and I am to be out of a job; I will not buy a new car this year". That kind of thing will not help this country very much. I am very glad to see that it is now being taken up throughout the country and is being recognized for what it is, because once it is recognized for what it is, this preaching of doom and gloom, we will have nothing further to fear from it.

I would now like to read what the Canadian Manufacturers' Association has had to say on this very subject in their publication *Industry* for January, 1961. After pointing out, as I have already said, that the year was a good and prosperous one for all Canadians and individual earnings and savings were never higher, this publication goes on to say this:

The cause of those without jobs is not helped, for example, when an impression of an economy collapsing into blue ruin is created both at home and abroad. Such far-fetched distortions would be ludicrous if their effects were not so damaging. As it is, the painting of an exaggerated and sombre-hued picture plays a major role in the undermining of public confidence so far as the immediate future is concerned.

I suggest that is exactly the policy the Liberal opposition in this house has been pursuing. They direct a barrage of criticism at every measure that is brought forward. They say it does not meet this requirement, or it does not meet that requirement, regardless of whether the measure was designed to meet that specific requirement or not.

To go on with some of the more specific criticisms that have been made, the hon. member for Kenora-Rainy River indicated that in his view it was our highly valued dollar that makes our exports non-competitive across the world. Here, again, was a negative attitude. There is no doubt that we have to be concerned with our production costs, and of course the government has been concerned with that matter and has set up a national productivity council. At the same time I think it must be remembered, when discussing exports in this country, that they too are at an all-time high. In 1960 they were 6.4 per cent higher than the previous year. Our trade deficit on commodity trade was considerably lower than it has been for several years, \$116 million in 1960 compared with \$412 million in 1959, with a record deficit of \$731 million in 1956, the last year that we had a Liberal government.