

The Budget—Mr. Argue

significant statement. The minister said: "I am basing my budget on the same gross national product this year as last year." The year before 1953 Canada's real production went up 4 per cent. The year before that Canada's real production—

Mr. Abbott: It was 5 per cent.

Mr. Argue: —went up 5 per cent.

Mr. Abbott: It was 5 per cent last year.

Mr. Argue: All right, 5 per cent last year. The minister's statement makes the position even worse than I was going to paint it. The Canadian people are capable—and I put this to the minister—once again in 1954 of increasing the real production by 5 per cent, but the government will do nothing to lay plans for such an increase in production. And therefore the 5 per cent increase in income that should result from an increase in our population and improvement in technology is being denied the people of Canada because steps are not taken to put 500,000 people back to work. Steps are not being taken to put money into the pockets of agricultural producers. This government apparently has learned nothing in the last twenty years.

Farm income went down 11 per cent in 1952, went down 14 per cent in 1953 and it is going to go down a further large percentage this year. That drop in farm income, unless it is arrested, is going to spill over into the rest of the economy and is going to have very serious economic repercussions.

The minister, in his budget—part of his great advance on a broad economic front—made some changes; he took off some taxes. The minister can say that half a million unemployed as a result of tax reduction on furs can now buy their wives mink coats a little cheaper. I suppose the unemployed can now buy a bag of golf sticks just a little bit cheaper. They have lots of time to play golf. They can go and get fishing equipment a little cheaper. They are not making any money but they may be able to get the equipment on credit. They will not be charged quite so much, and they can go fishing, too. This is a black budget; it is a depression budget, and in parts of Canada, particularly western Canada, the farmers are not waiting for a recession. They are not hoping against a recession or a depression; for them it is right here. They have no cash. True, they have all kinds of wheat and still their families must go without many of the necessities of life.

Then the government has another plan on this bold, broad economic advance. They have a Colombo plan to help feed the people of

[Mr. Argue.]

underdeveloped countries. It is part of a program to raise living standards in south-east Asia. Canada's contribution under this government to feed people in southeast Asia, to lift their living standards, is the magnificent one of less than the cost of a postage stamp for each person living in southeast Asia. That is not a contribution that is worthy of the generosity of the Canadian people. The only reason Canadians are not contributing more to help underdeveloped countries is the lack of imagination, lack of leadership on the part of this Liberal government. People in the world are starving and the Canadian farmer has so much wheat he does not know what to do with it. He cannot get any money and the Minister of Finance rises in his place and says: Well, the real production is going to stay the same; I am going to make a few insignificant changes in income tax; that is all. He should have reissued the budget of a year ago. There would not be too much difference between then and now.

Unless something is done soon we are not only going to have a reduction in the standard of living for large sections of the Canadian economy, but we are likely to lose some of the friends that we have in countries of the world if we do not come to their assistance. I believe we should make a real contribution, not a trifling, stingy, insignificant one of \$25 million. Resolutions come to my desk from church organizations, from clubs of all kinds. I believe the Canadian people almost unanimously would support a very much larger contribution to underdeveloped countries. There is a place where we could get a lot of money to provide food, technical personnel and capital equipment to help underdeveloped countries.

Mr. Crestohl: Will the hon. member permit a question? In what way would the hon. member suggest that the people of Canada should be taxed in order to be able to make a more generous contribution to the Colombo plan?

Mr. Argue: That is a very important question! It shows the mentality of the Liberal party. It is no different from the party that was in power from 1930 to 1935. We have unemployed, and there is too much food in the country, and when some reforms or some expenditures are suggested they say: Well, who are you going to tax? All right; who are you going to tax? You can tax big business and raise the tax on corporation profits.

Mr. Abbott: Put a special tax on members of parliament.

Mr. Argue: Hear, hear; and raise succession duties. Then, if there is not—

An hon. Member: Time.