

The Address—Mr. Morissette

According to the member for Kenora-Rainy River, such expenses, as I have just said, should have decreased by 5.5 per cent.

The opposition had predicted the break down of our export trade. There again, the facts have not borne out their forecast. The approximate value of our exports for the present year has reached the unprecedented figure of \$5,200,000,000. More exactly, for the first ten months of 1959, our exports amounted to \$4 billion 194 million compared to \$4 billion 72 million the previous year. In October alone, they amounted to \$471.9 million, an increase of 3.6 per cent over the corresponding month last year. That upward trend is reported to have increased during the last two months of the year.

Therefore the financial policy applied by the government in 1959 has not impeded our economic progress. Let me add, to round off the 1959 picture, that industrial production increased by 8 per cent. Figures of wholesale and retail sales for the first ten months in 1959 show a considerable increase. Retail sales reached an all-time high of \$13 billion during the first ten months of the year, an increase of 5.4 per cent. In October alone, the increase was 7.8 per cent over the figure for the corresponding month last year. Wholesale sales for the first ten months in 1959 amounted to the incredible figure of \$7 billion, an increase of 9.5 per cent over 1958. In October alone, the increase was 6 per cent. Substantial increases were recorded in most businesses.

For example, in the sale of automobile parts and accessories, the increase was 11.7 per cent. In industry and transport, equipment increased by 10.6 per cent. Sales of domestic electrical appliances increased by 9 per cent.

Shipments to market of manufactured goods for the first ten months of the year are estimated at \$19 billion 198 million. That is an increase of 6 per cent over 1958. In October alone, those shipments are estimated at \$2 billion 34 million, that is 5 per cent more than the corresponding month last year. Manufacturers' backlogs at the end of October 1959 amount to \$2 billion 225 million, that is 5 per cent more than at the same date last year.

The Liberals had made other sinister forecasts. They had said that the additional sales tax on motor vehicles would seriously affect that industry. Again their pessimism was unjustified.

[Mr. Morissette.]

According to the dominion bureau of statistics, the number of motor vehicles manufactured in Canada and marketed during the first ten months of 1959 reached 319,282 units. For the corresponding period of last year, the figure was 285,361. This is quite an increase, and it is all the more impressive when you remember that the automobile industry was affected by the steel strike in the United States.

The employment picture has likewise improved in 1959. According to D.B.S. figures, and those of the Department of Labour, Canada's labour force in November 1959 had reached 6,247,000, an increase of 1.8 per cent over 1958. The number of gainfully employed people reached 5,951,000, as compared with 5,777,000 last year. There was a reduction of 65,000 in the number of people seeking employment, notwithstanding the increase in our labour forces, which I have just mentioned.

I said earlier that 1959 had been a year of price stability. Indeed the consumer price index increased only slightly, from 126.1 in December 1958, to 127.9 in 1959, which is considerably less than 2 per cent.

Wholesale prices in 1959 were relatively stable, as shown by the index relating to those prices. From November 1958 to November 1959, there was an increase of only 6 per cent. Prices of finished and semi-finished manufactured products remained just about the same.

Another opposition prediction was that there would be a drastic decrease in the volume of home construction. If I remember correctly, the hon. member for Nipissing had taken upon himself the special task of transmitting this Liberal forecast to the house. If there were less house starts, the number of houses finished has increased by 98,131, which is just about the same figure as last year. I might point out here that, because of recent government action in this regard, the number of house starts increased considerably during the last months of the year, as compared with the previous months.

The year 1959, as we have seen, has been a year of great prosperity. The credit for this goes primarily to the government which gave our country the economic leadership required by circumstances. It should also be recognized that, thanks to government policy, the new prosperity has not taken the form of a disastrous inflation. No later than yesterday, Mr. James Muir, president of the