

*The Budget—Mr. Macdonnell*

The Leader of the Opposition with echoes of the Liberal jamboree still ringing in his ears made a speech full of financial devices but the hon. gentleman evaded the plain questions put to him by the Minister of Finance. We were asked to take seriously a statement to the effect that if the opposition had only been in power they would have taken precautions, they would never have been led astray by any wrong figures. We are asked to believe that they would have had what they described as a planned deficit. They, of course, they assert would not have been deceived by the upturn in 1959 running into 1960 but would have seen beneath the surface and would have had their plans all ready. But when the Minister of Finance asked the Leader of the Opposition (Mr. Pearson) point blank what size deficit he favoured he got nothing but generalities in reply.

The Leader of the Opposition said it was not so much the size that counted but that the deficit should be planned in advance to correct recession. This sounds to me like high-flown, thin-spun theory and I much prefer to use the more pedestrian words of common sense. I recommend that the Leader of the Opposition and his followers study the words of the quotations I read from the *Winnipeg Free Press* and the president of the Canadian Bank of Commerce.

I come now to the hon. member for Bonavista-Twillingate (Mr. Pickersgill). It is always interesting to listen to him. He was wearing a false face and using as his own the words of the minister of finance in 1955. The difference is that in 1955 the words were accurate. As far as I can discover at that time there were no plans made to deal with unemployment and, of course, the boom came along and bailed them out; whereas nobody can suggest—

**Mr. Pickersgill:** I am sure the hon. gentleman would not wish to be unfair. Perhaps I can ask him whether he does not recall that it was in the session of 1955 that the previous government established unemployment assistance?

**Mr. Fleming (Eglinton):** With a threshold which denied the benefit to nearly all of the provinces.

**Mr. Macdonnell:** I am always ready to accept a correction by the hon. member for Bonavista-Twillingate but I would just point out that that was rather a skimpy little chicken compared with what we are doing.

**Mr. Pickersgill:** It was not as much needed.

**Mr. Macdonnell:** I just mention briefly some of the things the Minister of Finance

has been responsible for, such as aid to small businesses, stimulus to housing, double depreciation, and so on.

Now the thing that struck me, because I am always interested in the use of adjectives by the hon. member for Bonavista-Twillingate, was the adjectives he used with respect to the Minister of Finance, which I think were singularly inappropriate. In one place he referred to him as reckless. I have known the minister a long time and I can say "reckless" is singularly inappropriate. It was singularly inappropriate to use two other words. The only two other words that I can think of which are more inappropriate than the word "reckless" to use of the Minister of Finance are the two other words the hon. member for Bonavista-Twillingate used, that is "sly" and "furtive". How utterly inapplicable. The Minister of Finance is always ready to come out in the open. I repeat that the words "reckless", "sly" and "furtive" should not be taken seriously. I make bold to say—and I am not going to dwell too long on this—that the Minister of Finance has made a reputation not only for ability but for courage and common sense, which will survive all these irresponsible criticisms.

I come now to the question of foreign aid, which has been described as the greatest question of the second half of the twentieth century. I ask anyone whether he can laugh that off? Second, I want to represent it as the greatest opportunity to deal with the question of unemployment because, as the Minister of Finance has said so many times, what we have to do is to increase foreign trade. The Minister of Trade and Commerce (Mr. Hees) has made a real contribution by the conference that was held here when all the trade commissioners were called together. Unfortunately, as was pointed out again and again by people like Stevenson, Hoffman and others, the real solution is to get those people—I saw the figure given as 2,000 million the other day—who have almost no buying capacity, into the economic position where they can buy.

I have one illustration which is so small that I almost blush to mention, but nevertheless in principle it is as sound as a bell. It shows what can be done. I asked the Department of Northern Affairs and National Resources whether they could give me an illustration from the Eskimos, and they gave me a most beautiful illustration of a tiny community of 200 or 300 people living on the dole. They were in receipt of nearly \$20,000 a year. By instruction and better methods of fishing, within a year or two, they were in a position where they had a buying capacity. Instead of taking money out of the treasury