

The Address—Mr. Noseworthy

harbours are full of silt. I hope he will soon be able to get his dredge completed so that it will be able to go down there and start operations.

Mr. Fournier (Hull): It is nearly on its way.

Mr. Browne (St. John's West): Finally, as an assurance that the government will act fairly to all Newfoundlanders, I recommend that they grant equal representation to all political parties in the other place.

Mr. J. W. Noseworthy (York South): Mr. Speaker, first of all I want to add my congratulations to those that have been offered already in this house to the mover (Mr. Larson) and seconder (Mr. Dumas) of the address in reply to the speech from the throne. Because we have in the greater Toronto area some 20,000 unemployed at the present time, I want to examine the erstwhile employment policy of the government in relation to the Prime Minister's speech on February 20. I want to refer to the employment policy set forth in the white paper tabled in this house in April, 1945, which was given in greater detail in the proposals placed before the dominion-provincial conference in August of that year, and put away in mothballs on June 28, 1949. If we turn to page 23 of the white paper we find the following statement:

In this paper, the government has stated unequivocally its adoption of a high and stable level of employment and income, and thereby higher standards of living, as a major aim of government policy.

On page 1 of the paper we read:

The central task of reconstruction . . . is to maintain a high and stable level of employment and income. The government adopts this as a primary object of policy.

Again on page 1:

In setting as its aim a high and stable level of employment and income the government is not selecting a lower target than "full employment."

Then the paper goes on to say that full employment depends upon four classes of expenditures: upon expenditures made in export trade, expenditures made in private investment, consumption expenditures, and public investment expenditures. In that white paper the government recognized that a high level of employment depended to some extent upon the fluctuations of international trade. These, however, were not to interfere with the government's policy of full employment. We are assured on page 7 of the white paper that they can be overcome by patient and resourceful work. Again on page 7 we are told that bold and imaginative policies of collaboration in peace as in war would be taken to expand export trade and to reinforce the government's domestic employment policy to secure freedom from want. Those were

[Mr. Browne (St. John's West).]

the days when the Liberals were talking about the new order they were to bring in after world war II. One of those bold and imaginative policies outlined in the white paper was to be the extension of credit to countries to whom we wanted to sell our goods. On page 9 of the white paper we read:

The government is willing to extend to such countries . . . adequate credits to finance, to the degree necessary, their import requirements from Canada.

I should like to call attention to that statement that adequate credits would be advanced to finance, to the degree necessary, the import requirements of these countries from Canada. A few evenings ago the Minister of Finance (Mr. Abbott) told us that we were making available all the credits we could possibly afford at the present time. I think it is admitted by the government that those credits are not sufficient either to enable the United Kingdom to buy all the goods she wants to buy from Canada, or to buy all the goods that we could sell her. The government now substitutes the formula "what we can afford" for the 1945 formula "adequate credits to the degree necessary". My point here is that the government has changed its policy in relation to those credits.

Mr. Abbott: We extended \$2 billion in credits in 1945.

Mr. Noseworthy: If their policy was right in 1945 apparently it is wrong today. However, I think the minister will agree that if tomorrow we got into a shooting war instead of a cold war and we had guns to sell to Britain instead of food, and if Britain needed those guns as she needs food today, we would find a way of doing exactly what we did during the war years; we would find a means of making financially possible what is physically possible. It is now physically possible for us to produce more food for Britain and the sterling area than it is financially possible for us to sell them. I submit, Mr. Speaker, that is just one example of good orthodox capitalist economy.

The second form of expenditure on which a high level of employment depended was private investment; and to encourage private investment in plant, equipment and other durable goods and stocks we read on page 11 of the white paper that a quite different taxation policy will become an appropriate part of policies directed to the maintenance of employment and income. Again on page 11:

It is proposed particularly to eliminate or minimize taxation which contributes to a higher level of production costs.

And on page 21:

The government will be prepared, in periods when unemployment threatens, to incur the deficits and increases in the national debt resulting from its employment and income policy . . .