

*Alleged Lack of Government Leadership*

they want proof, I have it. They said—and they did this for political purposes—that we were ruined as a nation. They predicted soaring inflation which would wipe out the savings of widows and pensioners. How did they support this? They offered counterfeit dollars to support a counterfeit charge in a counterfeit campaign. That is the hoax they almost succeeded in perpetrating on June 18.

When we said our trade was increasing they said “Nothing of the kind”. They painted a dreadful picture of ruin within this land. They do not speak about that any more. They speak about other things. I ask this question. What of their prophecies? Have living costs increased as they said they would? Mr. Speaker, the increase in the cost of living in Canada in 1962 was the lowest in any of the free world countries. We told them what would happen when we pegged the dollar. We told them it would increase our export opportunities, substantially increase the revenue of the tourist industry and provide more opportunities for Canadian manufacturers to produce for the domestic market. They ridiculed, they ranted and they prevaricated. That is why they were so anxious to get an election in the fall, so that their campaign of falsehood would not be answered by the facts.

The increase in our gross national product? They said there was nothing to that. They reviewed the situation. We know today what the situation is, and in order that the record may be clear before this vote takes place I intend to put a few of the answers on the record. Who told the truth about the Canadian dollar?

**Mr. Pickersgill:** The Minister of Agriculture.

**Mr. Diefenbaker:** The hon. gentleman is so right. He does not say he did, or that anyone associated with him did. Who told the truth about the Canadian economy? As I went across this country after the election two people said to me, “You told us that the economy was on the uprise, a great upsurge, and it was not true because you had this foreign exchange difficulty”. They had it in 1948.

**Mr. Pickersgill:** In 1947.

**Mr. Diefenbaker:** All right, 1947. They had the pegged dollar then at 10 per cent.

**Mr. Pickersgill:** You might as well have the facts right.

**Mr. Diefenbaker:** I was half way between. I said 1948. It started in 1947 and went through to 1949. Now, being face to face with them in the House of Commons, on the basis of what has taken place since then, I charge them with an offence and say they were guilty of one of the greatest election frauds in our

[Mr. Diefenbaker.]

history. I refer to all of them. They went across Canada. They put their greed for office before the needs of Canadian citizens. Now we are able to offer the facts. Do they quote the London *Economist* any more?

**Some hon. Members:** No.

**Mr. Pearson:** We should be glad to do so.

**Mr. Diefenbaker:** Even the hon. member for Bonavista-Twillingate (Mr. Pickersgill) has not referred to it for some time. What does the London *Economist* say? In this year end edition of December, 1962, it says that Canada in 1962 outstripped every nation in the world in the rate of economic growth.

The hon. member for Davenport is not here at the moment.

**An hon. Member:** He is coming in now.

**Mr. Diefenbaker:** I am glad he is now here. May I say that we reached the present level three years ahead of the target date indicated by the royal commission headed by that hon. gentleman. I am placing the record before the house and the country, and answering that campaign about which I shall say no more than I have already said. *Newsweek* states as follows:

World wide industrial expansion is 7 per cent over last year with the United States (coming out of a recession) and Canada registered the top gain.

What of these purveyors of doom and gloom? What of the statements they made before the Canadian people? What does *Business Week* say?

**Mr. Pickersgill:** The Minister of Justice in Tokyo said—

**Mr. Diefenbaker:** Oh, I know you ridicule anything with regard to Canada's economic growth and expansion. That is part and parcel of the Liberal attitude.

**Mr. Pickersgill:** Mr. Speaker, I rise on a question of privilege.

**Some hon. Members:** Oh, oh.

**Mr. Pickersgill:** The Prime Minister has once more chosen to make a personal reference to me, suggesting that I was ridiculing something. All I was pointing out was that the Minister of Justice in Tokyo said we had the highest level of unemployment in the western world.

**Mr. Fleming (Eglinton):** I rise on a question of privilege, Mr. Speaker. This assertion has been made twice in the house. It was raised first of all by the Leader of the Opposition. I said then that I never made any such statement and that a report to that effect appearing in one of the Tokyo papers was not true. The hon. member for Bonavista-Twillingate, notwithstanding that denial,