

*The Budget—Mr. A. W. A. White*

80 to 90 Canadians, a product which is 90 per cent Canadian. Here is a substitute product manufactured under conditions under which Canadian workmen would in no circumstances work. Here is a product which on the shelf of your hardware merchant is almost indistinguishable from the Canadian product. When my leader said there was a responsibility on the government to do something for the manufacturing industry in Canada and to create jobs, I am sure he was referring to just such an example as this. When we talk about pulling up the socks, when we talk about a kick in the pants, I believe the government should consider if it is not about time they gave themselves the same treatment.

**Mr. Balcom:** I did not know the hon. member had completed his remarks, Mr. Speaker. I wonder if I could ask him a question?

**Mr. Hamilton (York West):** Yes.

**Mr. Balcom:** Are those thermos bottles?

**Mr. Hamilton (York West):** Yes.

**Mr. Balcom:** Is the name "thermos" on them?

**Mr. Hamilton (York West):** They are vacuum bottles.

**Mr. Balcom:** I think that point should be cleared up. These are vacuum bottles, not thermos bottles.

**Mr. Hamilton (York West):** We will be glad to let you see them. We will be glad to set up shop in the opposition lobby, if you would like to examine them.

**Mr. Balcom:** I think a correction should be made, and it should be noted that these are not thermos bottles as the speaker said they were. These are vacuum bottles.

**An hon. Member:** What difference does it make?

**Mr. Balcom:** I have not seen any vacuum bottle that compares with the thermos bottle. These are both substitutes for thermos bottles. You will find, I think, that the Japanese product is just as efficient as the other make.

**Mr. Hees:** So what is the question?

**Mr. Gauthier (Portneuf):** Why don't you listen?

**Mr. Balcom:** I wanted to ask if they were thermos bottles, and I find they are not.

**Mr. Hees:** He said they were vacuum bottles.

**Mr. A. W. A. White (Waterloo South):** In rising to take part in this debate, Mr. Speaker, I should like to offer my congratulations to the Minister of Finance on this, his first

[Mr. Hamilton (York West).]

budget. It is a realistic one, and has received widespread approval throughout Canada.

The post-war years from 1945 to 1953 brought to Canada, under a Liberal administration, a period of unprecedented prosperity during which our gross national product grew to \$24.5 billion. During the same period the government followed the wise and prudent policy of creating surpluses with which our national debt was reduced by \$2.25 billion, with a corresponding reduction in debt carrying charges. This policy undoubtedly has met with the approval of the Canadian people. In my opinion it was good housekeeping, in spite of the fact that many hon. members opposite criticized this policy of deliberately creating surpluses during this period of unprecedented prosperity.

The present budget will, I believe, give our economy a shot in the arm by releasing more purchasing power into the stream of our economy through a reduction in personal and corporation income taxes. Undoubtedly the 5 per cent reduction in the sales tax on cars and the removal of the sales tax on tires and tubes will give a new impetus to those industries, which will have a beneficial effect on our economy.

The budget papers show that the number of persons without jobs and seeking work rose from an average of 137,000 in 1953 to 232,000 in 1954. This trend continued in 1955, and in February of this year the number of persons without jobs and seeking employment was 379,000 or 64,000 more than in February, 1954. Since a large percentage of these unemployed persons are industrial workers, any policy which will put more purchasing power in the hands of the Canadian people is a step in the right direction, even though it is brought about by deficit financing.

However, in my opinion this is not the entire solution to the slow-down that has taken place in many of our secondary industries during the past year. The fact that the purchasing power of the Canadian people has been increased does not necessarily mean that this increased purchasing power will be used to buy Canadian-made goods when imported goods can be bought at lower prices. The effect of competition with manufactured goods imported from the United Kingdom, Japan, Hong Kong, and the countries of continental Europe, where wages are very much lower than those paid in Canada, has been felt for some time by many of our own industries. Since many of our secondary industries are almost entirely restricted to our domestic market, the loss of this market could have a serious effect on our economy.