

National Economic Development Board

Resources (Mr. Dinsdale) speak about the accomplishments of the first "five-year plan". If these accomplishments under the five-year plan are something which this government is proud of, we as an opposition are not. Because it was only a few weeks ago that this administration answered certain questions. One was a question with respect to the net income of farmers in Canada. The answer which was given by the ministry indicated very clearly that every year this administration has been in power the net income of farmers has declined. This record is on *Hansard* and can be referred to if necessary. On another question of the government as to the productivity per capita of the people in Canada, it was clear that the productivity for every year on record has shown decline. This is in such sharp and marked contrast with what we find in western Europe or Japan, for example, we can come to no other conclusion but that Canada, with a growing population, has actually been relatively declining.

We know very well that our position in trade has relatively declined. Reference was made a few minutes ago to the fact that pricewise the Canadian dollar was stable, and for this we rejoice. One of the reasons is obviously the high and continuing rate of unemployment. In my community there is more unemployment today than a year ago, and it was serious then.

The fact is that over this past year we have had an ever mounting rate of bankruptcy so that the bankruptcy of 1960, increasing in 1961, and increasing still further in 1962, has been one of the reasons we have had stable prices. After all, if resources are going to be as little used as they have in Canada in the last two or three years, it is clear that we are not going to end up with inflation; but there are other problems.

May I refer, because the minister recently referred to the comments of President Kennedy, to the O.E.C.D. economic survey. You remember, Mr. Speaker, that the O.E.C.D. was set up in 1960 with its headquarters in Paris. It includes Canada and the United States among its 20 members. This survey says:

Concern over "deep-rooted problems" restricting Canada's economic growth is expressed in a report released Friday by the organization for economic co-operation and development. The lengthy survey of Canada shows that the balance of payments is likely to improve, but adds that it is unfortunate that the government chose stringent monetary measures which are almost bound to have an unfavourable effect on the course of domestic activity.

The report goes on to refer to Canada's slow rate of growth and says that persistent high unemployment and large deficits in the current external account were aggravated by

a short-lived but sharp exchange crisis in the first half of 1962. "The demand for Canadian products has not kept pace with Canada's policy to produce," the report concludes. This is reported in the *Ottawa Journal* of December 29, 1962, and is headlined: "Canada's slow rate of growth". I would also refer to the *Toronto Telegram* of January 7, 1963 where the headline is: "Economy dipping". Then a graph is shown which indicates that the boom in 1962, such as it was, is not dribbling into 1963. The paper says:

Our barometer records a drop taking place as we enter 1963... The recent gyrations of many indicators made many think that the slowdown predicted earlier for the end of 1962 had been called off. It has not...

The good that was in 1962 came to a close with the year. We have now started on a downward swing.

Mr. Speaker, none of the members of the Liberal party are responsible for writing anything in the *Toronto Telegram*, except perhaps an irate letter, and we read this article with some concern and fear.

Mr. Caouette: The *Telegram* is a Conservative paper.

Mr. Matheson: My hon. friend from Ville-neuve indicates that this is a Conservative paper. I would tell him that I do not think that it could ever be construed as otherwise.

Looking at the *Financial Post* for January 12, 1963 I observe this passage:

By an easy majority the sensitive indicators of how the Canadian economy is doing suggests that the 1961-62 expansion is over and the recession is now on.

This is an article by Dalton Robertson. It goes on to say:

Nothing in recent weeks contradicts the view that the economy probably lost most of its steam in the third quarter of last year.

As far as this legislation is concerned to provide for a national economic development board, we on this side endorse its principle. How could we do otherwise? You remember, Mr. Speaker, the motion of the hon. member for Essex East (Mr. Martin) which came before this house in 1960. You remember the scorn with which he was met in this house by the then Conservative member for Vancouver-Kingsway, since departed, the then Conservative member for Iles-de-la-Madeleine, since departed, the hon. member for Parry Sound-Muskoka (Mr. Aiken), and the Minister of Labour (Mr. Starr), who unfortunately has not found it possible to be here tonight. I think the reason for his absence is that he would have had to eat his words which he delivered in his speech of May 23, 1960.

Some hon. Members: Oh, oh.