

month of 1931. In Nova Scotia there was an increase of one per cent over the previous year.

I should like to say a few words concerning the budget, the Liberal amendment, and the amendment to the amendment proposed by the group in this corner of the house. First I shall refer to the Liberal amendment, and in doing so may I congratulate the hon. member for Shelburne-Yarmouth (Mr. Ralston) upon his masterly criticism of the policy of the government. However, a very definite flaw in his criticism is that it compares conditions in the years 1922 and 1930 with those prevailing to-day. Liberal members—and it would seem with a great deal of right on their side—have on occasions drawn attention to the statements and promises made by the Prime Minister during the election campaign of 1930. It seems to me we have to admit that conditions during the last two years either are or are not comparable to those prevailing in the years immediately preceding the last federal election. If they are not comparable with the situation which existed prior to 1930, what is the use of saying, "We did this or that during our term of office"? Whatever was done, and with whatever success, was accomplished out of the material conditions of that time. If those conditions cannot be duplicated now, they cannot do the same things as were done in the years prior to 1930.

However, it is when we come to consider the amendment of the opposition that we learn, and as far as I am personally concerned learn with a shock, that the events of the last two years have taught them very little. One is inevitably driven to the conclusion that the only solution they have to offer for the very serious situation in which we find ourselves at the present time is a reversion to things as they were in 1930 before the present government came into office. In the years preceding the last general election things of course were not so bad as they are to-day, but I had been connected with the civic affairs of Vancouver some time before 1930, and I can very well remember that we had a rather serious unemployed situation there for every year from 1925 down to 1930. While I had nothing to do with civic affairs in the years preceding that period, I am sure we had recurring unemployment during every year the Liberal party was in power. In 1930 the Conservative party was going to put an end to the depression by increasing the tariff. I point that out at this time because that is the only thing that the Liberal amendment has to offer—another alteration in the tariff. By thus increasing the

[Mr. MacInnis.]

tariff the Conservative party was to make it impossible for foreign-made goods to come into the country and so conserve the market for our own manufacturers. But our conservative friends overlooked the fact that taking production as a whole very little profit can be made by producing for a local market; that if profit is to be made by the manufacture and sale of commodities, such commodities must be disposed of in other countries than the country in which they are produced; that is, you must have a foreign market. The reason for this I will explain to the house.

I referred a moment ago to the number of unemployed in this country. We have them to-day in every industrial country in the world. If an unemployed man in the city of Ottawa or anywhere else goes out looking for a job to-morrow, and finds one, he will find it on one condition, and one condition only; or at least this condition is implied when he gets the job—that he will produce more for the person employing him than that person will pay him in wages. That is, the value in goods he produces for his employer will be greater than the value his employer pays him for his labour. That, I repeat, is implied in the contract of every man who goes to work for an employer. What relation the values received and the values produced have I will not go into at this time, but it has been stated on the floor of this house that it is about four to one; that is, if a man receives one dollar in wages, he produces four dollars in goods. Evidently then the person so employed cannot buy goods to the value of four dollars with the one dollar he receives; so that for every one dollar of commodities that a worker can consume there are three dollars' worth that must be disposed of in some other way. There are other people in the community, however, besides the working class. There is the owning class or the employing class, the buyers of labour, or to be more correct, the buyers of labour power; they will consume some of it. They are not so numerous, but their purchasing power is relatively greater. So we may say they will dispose of another dollar's worth of commodities. But we still have one half the total product to dispose of, and it cannot be disposed of where it was produced because of the limited purchasing power of the working classes and of the limited consuming capacity of the employing class. That is the reason why this government has its trade commissioners in every country in the world looking for a market for our goods, and it is the reason why every other industrialized nation has its trade commissioners in this country seeking a market for their goods. Every country to-day is reducing the wages of the workers in every line