

with in this speech. The first is in reference to the obligation to relieve the distress caused by unemployment, and the other is the necessity to take steps to prevent unemployment. The Government claim that the matter of the relief of those absolutely destitute is fundamentally a municipal and provincial responsibility. I am not in a position to dispute that statement, and, as it has not been dealt with by the leader of the Opposition, I assume the statement is correct; but I hold the Government entirely responsible for taking steps to do away with unemployment, though they do not deal with the question of relief. In that regard I wish to quote just a few words from a debate in the British House of Commons. One of the members of the cabinet said, speaking about unemployment—

He thought the speech of the Prime Minister had denoted the fact that Parliament had concurred in the view and accepted the task of governing the people of this country by providing the masses with two conditions, employment and contentment.

Another member of the government, G. M. Barnes, said, speaking on the same subject—

The classes who have the running of this country would be judged in proportion as they could find organized employment for the great mass of the people.

I think that is a very well-founded theory of the unemployment situation to-day, and I consider that if the Government could take such steps as would lead, so to speak, to the abolition of unemployment, it would be not only good statesmanship but good political expediency;—after all, the practical politician always keeps one eye on the ballot box. We all know that a contented voter is a Government voter. If times are good and work plentiful, the average voter will not desire a change of Government, but our experience is that when a voter becomes discontented he is ready at once to take a chance on a change of Government. Unemployment is so universal now that it has gone beyond a national question, and has become an international question. Each nation has endeavoured to solve the question for itself, generally by building up high tariff walls to keep their people employed, within the boundaries of each nation. I believe wider action will have to be taken, before world-wide unemployment will disappear. It may be that I have a fantastic idea as to the remedy, but I hold that the only way to handle the unemployment situation is for all nations, without exception, to cancel their war debts. I read a

[Mr. Neill.]

treatise the other day by an American professor in one of the economic colleges. It is called "America and the Balance Sheets of Europe". It goes very fully into this question, taking each nation in turn, and shows that these nations are heading, not slowly but rapidly, towards bankruptcy. He shows that in many states the income is as low as 28 per cent of expenditure, and he asks where this is going to end. He states that one of two things have to be done by these nations, either they will have to add to their debt, which will make a worse budget for them, or issue more paper money, which is equally disastrous. He points out, after a very well-studied exposition of the subject, that the only solution is for the nations of the world to cancel their debts universally, and, though an American professor, he suggests that the first step should be taken by America, because she has most to gain. He points to the anomalous and almost absurd position, that every nation in the world is demanding that Germany, and every nation, should pay what they owe in money, and they refuse to accept payment in the only manner in which Germany could possibly pay, and that is in goods. Germany says: "We have not a gold reserve to pay you, and we will pay you in goods"—The other nations say: "We do not want your goods". France has to a very small extent accepted some goods as reparation in connection with the damage to the devastated area, but it is a very small and restricted amount. The other nations absolutely refuse to take the goods. Germany says: "We are willing to work long hours at low wages; our currency has depreciated; we can land our goods in your market at a very low price, if you will allow us to sell you those goods in payment for our debt." But the nations will not accept these goods, and build up tariff walls against them. If the nations were content to cancel the war debts, there would be such a demand for manufactured articles that it would go far to do away with unemployment. That is a theory it perhaps does not become me to enunciate in this House at the present time.

The next item in the Speech from the Throne is the statement that the Government has taken steps to obtain better and wider markets, and this refers particularly to trade with Australia. I am particularly interested in that branch of the subject and I hope the Minister of Trade and Commerce, when he makes the treaty with Australia, will not forget to take into consideration