

As unemployment is a matter of very great concern I shall give it first consideration. The Liberal party believes unemployment is Canada's most urgent national problem. It would deal with the present emergent conditions through a representative national commission which would cooperate with the provinces and municipalities in the administration of unemployment relief, and in an endeavour to provide work for the unemployed. As permanent measures the Liberal party is pledged to introduce policies which will serve to provide employment by reviving industry and trade, and to introduce a national system of unemployment insurance.

Then, as to the liberation of external trade: The Liberal party believes that trade is the basis of industrial and commercial development, and that Canada needs trade. It will abolish the extravagant increases in the tariff made by the present administration, which have had the effect of strangling trade, exploiting consumers and robbing railways of business. It will abolish all unwarranted extra taxes on imports, such as the exchange and dumping duties, as imposed by the present administration. It will end the making and altering of tariffs by executive action. It will substitute stability for uncertainty in the administration of customs laws. It will promote trade with all nations and negotiate trade agreements with any countries willing to trade with Canada on a reciprocal basis. It will continue the Liberal policy of British preference by a percentage reduction in existing tariffs rather than by a percentage increase against foreign countries in existing tariffs. It will grant to British imports a real preference. I may say, further, that it will aim, always, at fiscal freedom, and will help in world movements directed towards greater freedom of intercourse in trade. It will not further any policies which serve to unite groups into units against the rest of the world.

Then concerning the liberation of internal trade: The Liberal party will seek to end artificial price control and agreements in restraint of trade. Price fixing by agreements restrict and hamper trade internally. The internal trade of our country has become honeycombed and enmeshed by secret understandings and agreements. The protective tariffs, as they obtain in Canada to-day, have fostered the formation of combines, monopolies and trusts, and under these combines, monopolies and trusts there are no end of secret agreements by which prices are being held at artificial figures. I might remind the house that some years ago a Liberal administration passed the Combines Investigation

[Mr. Mackenzie King.]

Act which had for its purpose investigating combines and trusts. The history of this legislation may serve to illustrate the difference between the two larger parties in the house. After the Liberal administration went out of office the administration which followed abolished the Combines Investigation Act. As soon as we assumed power we restored that legislation to the statute book. But the Combines Investigation Act is but a mere beginning and does not meet the situation obtaining to-day. There should be more adequate facilities for investigations, and additional penalties should be imposed. Some conditions obtain which should be remedied by additional provisions in the criminal code. To-day we are seeking in vain to cope with these evils by milder methods.

The system of distribution of products needs overhauling. Distribution should be on a service at cost basis. The spread in prices is too great, as any comparison of prices paid to producers with prices consumers have to pay will make self-evident.

We believe that in connection with the liberation of trade there would be a great development of the primary industries of Canada. The Liberal party, by its policies, will continue to further the development of agriculture, lumbering, mining and fishing by effecting reductions in the costs of production of Canada's basic products, by obtaining wider markets therefor, by encouraging export trade, and by state assistance in the marketing of natural products.

Another important matter to which we would direct our attention is the control of investments in order to prevent exploitation of the public through the sale of unsound and worthless securities, namely, watered stocks. We believe an investment control board should be established, which would have supervision of issues of securities by companies incorporated under federal charters. That board should first control the incorporation of new companies, and carefully scrutinize the extent of their capitalization in relation to (a) the amount of stock authorized and to be issued, and (b) existing and anticipated assets. Secondly, it should pass upon supposed issues of additional stock by existing companies, with a view to safeguarding the interests of the industries so affected, as well as the interests of the investor. These measures would apply to companies incorporated under a dominion act. We believe the financial mismanagement of industry is one of the causes for dissatisfaction with the capitalist system, and is largely responsible for many conditions obtaining to-day. Industry has been adversely affected by