

Employment Programs

should have our society blush with shame, a society which is so proud of its science, of its civilization and of its democratic institutions.

The remedy to such unrest is, first of all, to find the causes and, then, to apply an efficient medicine.

It is found that unemployment prevails when products do not sell. Indeed, when manufacturers get fewer orders, they lay off personnel, which adds to the number of unemployed.

An ill-adapted production helps create unemployment. The Lauzon and Sorel shipyards are clear evidence of uneasy adjustments. Another reason for unemployment is machinery and automation. The worker becomes unemployed when the machine produces in his stead. Machinery has even been invented for that purpose. Unbalance between increased production and limited purchasing power worsens as fast as progress demands the installation of new machinery.

The solution to such an issue is distribution among people of profits due to progress. The more products become independent of the work of the individual, the more they should be distributed otherwise than through wages. This is the aim of the Ralliement créditiste when it asks that a periodical dividend be given to everybody.

Whether the problem is an accumulation of products due to lack of purchasing power or the replacement of workers by machinery, a dividend is the solution.

A wage increase would be absolutely useless to workers replaced by machinery. On the other hand, as any wage increase is reflected in higher prices for products—even if an increase of \$1 were granted—if the merchant sells one more dollar for the same quantity of products for \$1 more than in the past, the consumer cannot give a larger order.

Quite often the main cause of problems experienced by most Canadians lays in the mechanism employed for distributing goods; it operates slowly, whereas in this century speed rules supreme and means of production have undergone changes allowing maximum results in many areas; some politicians even feel alarmed and sometimes speak of overproduction.

They are not realistic enough to realize that we are dealing with underconsumption even though the reports of the numerous commissions they have set up prove beyond any doubt that a high percentage of Canadians live in poverty and lack all sorts of goods which the production system keeps displaying before their eyes by making use of all available advertising media while the consumer has to make do without these goods since he cannot afford to absorb this abundant production.

A specialized education is not required to realize that we are living in an upside-down world. Facts prove that we are able to produce but at the same time they show that we are not intelligent enough to distribute the goods we produce. It is the height of absurdity! Such a situation justifies the logical moves of those who advocate a distributive economy in order to bring back some order in a society whose leaders seem to have gone insane.

[Mr. Dionne.]

We recognize the difficulties involved in putting this system back on its feet, but since this is necessary we must act without delay if we are truly determined to prevent revolution.

Why could we not have—besides commissions on the public service, education, public utilities, unemployment insurance—a monetary commission comprising experts on figures and on love of the poor, responsible for developing the technique of balancing the production of goods with the need to provide each man with enough to live, and for working out payment and credit procedures in a spirit of reliability, foresight and honesty? Since it is the country which answers for currency, is it not its responsibility to benefit from it and regulate its exchange?

The endless studies on poverty will produce no practical result. It is necessary first to straighten the monetary system, a human institution controlled, monopolized and rarified when necessary by handlers of money and credit, exposed by the highest doctrinal authority in the world. In this respect, let us refer to the encyclical *Quadragesimo Anno*.

We should not linger on old methods which have produced the results we know: inflation, recession, ever higher taxes, an increasing national debt which is unpaid and unpayable under the present system.

Why continue to look for undiscoverable solutions in that upside-down system?

We of the Ralliement créditiste do not pretend that a monetary reform would be the panacea likely to remedy all evils, but we have good reasons to believe that it is one of the best means to find adequate solutions to the current problems.

• (4:00 p.m.)

[English]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I was sorry that we were unable to hear the final flourish of the hon. Leader of the Opposition (Mr. Stanfield). He got to the stage where he was going to increase exemptions, reduced taxes and with the additional money he found thereby was going to call the provinces together to spend it. I was wondering what he would do for a finale.

The motion presented by the hon. member for York South (Mr. Lewis) and his remarks to the House, provide further evidence of the tendency of his party to regard current economic conditions in a vacuum, as unrelated either to the past or the future. Neither the past nor the future can be ignored, however, if we are to consider current economic problems with some proper sense of perspective.

Let me point out at the outset that there is probably a very large measure of agreement among us about what should be our basic economic objective, that is, achieving the greatest year to year increase in production, employment and incomes that is possible without creating a self-defeating spiral of costs and prices.

Where we differ in a fundamental way is over the means that should be adopted to achieve this objective.