

Speculative short-term movements are one thing. The general movement of money out of the United States is another. Such factors may be temporary and can be fought accordingly.

I suggest that our current financial dilemma is well outlined in that article. At the conclusion of my speech I intend to present an amendment, but first I wish to speak on the motion in an endeavour to bring to its consideration a workable alternative to the non-workable socialistic measures which are being advocated from nearly every quarter of this House, and I would say particularly with the greatest persistence and vigour by the government party. The great dilemma facing Canadians is the lack of effective and clear alternatives to our basic economic and social problems. Each party in the House is pressing socialist aims in varying degrees as a panacea. Fortunately, Canadians have always rejected socialism as a national alternative. Whenever an election occurred the alternative of socialism was almost completely rejected.

Unfortunately, the present government party came into power masquerading as Liberals. I am in complete agreement with that growing body of concerned Canadians who believe that if the government's taxation proposals, as outlined in its white paper on taxation, are implemented the ownership of private property in this country will quickly become a thing of the past. I think every member of this House should recall a judgment given by that great American jurist, Oliver Wendell Holmes, when he stated that "the power to tax is the power to destroy." It has become a convenient and dishonest tactic for the government and other socialist sympathizers to attempt to convince the people of this country that our economic and other ills have come about from exploitation of our workers by that segment of our society which has provided the capital input for our economy.

Perhaps most hon. members of the House are not familiar with the economic philosophy of a man named Kelso, a man I believe will eventually become the fourth member of the greatest group of social and economic philosophers known to the western world, the others being Ricardo, Marx and Smith. Mr. Kelso, an American corporate lawyer who presently practices in San Francisco, believes that current economic thinking has overstressed the role of labour in the production of wealth by negating the second factor in its production, which is capital. He illustrates a fundamental dilemma in the American economic system by pointing out that approximately 5 per cent of the population owns the capital that produces 90 per cent of its wealth. Since capital is property, and since it is a basic tenet of our common law that one who owns property is entitled to all benefits which flow from it, it become most evident that the overwhelming proportion of workers in the United States do not benefit under this system because they are not the owners of property. In his theories, Kelso is referring to economic property, which is most customarily possessed in the form of shares or bonds in companies.

● (4:00 p.m.)

The dilemma facing Canadians in this situation is aggravated by the fact that the preponderance of our

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secondary industries are foreign-owned and, of course, controlled, so much of the wealth which flows from them finds its way outside our country. At this point, it might be a great temptation for our socialist-thinking friends to claim that they have the solution for redistributing the benefits of ownership through our society by imposing taxation measures which take from those who own and give to those who do not. I prefer to think of this as the dependency syndrome in which the government seeks incessantly to encourage our citizenry to believe that they have a right to expect the government to provide for their needs from birth until death.

This same attitude on means of distribution is one which encourages government patronage and can lead to various forms of inequality. There is, I think, a certain attraction to this business of the government distributing to each according to his need in times when our economy is facing serious difficulties, such as it is at present and will likely continue to do for a good many months, if not years. This has already been indicated by the chairman of the Prices and Incomes Commission, although I must admit that he made this appraisal at the cost of some considerable embarrassment to the Minister of Finance (Mr. Benson). Perhaps the minister felt that, out of gratitude for his appointment the chairman of the Prices and Incomes Commission ought not to say anything which detracted from the government's wishful thinking that inflation has been ended, that the country is turning the corner on unemployment and that a new era of sweetness and light is on the near horizon.

This House, Mr. Speaker, has heard members of every party refer at one time or another to automation and the leisure time which will result therefrom. It is also, I trust, apparent to the House that our industry is becoming more and more capital-intensive and less and less labour-intensive. In short, as these past months have borne out rather cruelly for tens of thousands of Canadian workers, machines and not people are producing a relentlessly increasing proportion of our goods and services. When one considers the degrading and dehumanizing tasks which so many Canadians are required to perform in order to earn their living, I think we must in conscience ask ourselves if the concept of full employment is either necessary, desirable or possible. This is true when we look at the number of make-work projects which are currently in existence, when we look at the feather-bedding in industry and at the many current projects in which machines can actually take the place of men. Only ten years ago I can remember some of our major Canadian producers saying "Every man who walks in in the morning is costing us \$25; he can be replaced". Today, we are creating jobs but I suggest that a lot of the jobs are unrealistic. There would probably be one-third more unemployment in the nation today if this aspect of make-work projects were removed.

It is surely apparent that the government's solution to the problems of unemployment rests in massive welfare programs. When we look at the unemployment insurance bill which is presently before the House we see that it is