

*The Address—Mr. Mackenzie King*

100 as the index figure, being the average for 1926, the comparison between the two countries, is as follows:

	Canada (First of Month)	United States (Fifteenth of Month)
January—1929 . . . . .	107.3	95.2
February . . . . .	112.8	97.4
March . . . . .	115.7	98.6
April . . . . .	116.5	99.1
May . . . . .	119.8	99.2
June . . . . .	121.2	98.8
July . . . . .	120.3	98.2
August . . . . .	121.6	98.6
September . . . . .	119.8	99.3
October . . . . .	120.2	98.3
November . . . . .	117.2	94.8
December . . . . .	112.8	91.9
January—1930 . . . . .	106.5	90.2
February . . . . .	110.2	....

That is a comparison of the average of employment in the factories of the United States and Canada.

My hon. friend said that the present administration had done nothing to relieve unemployment, and he stated that I had said that when the provinces were too poor, then it would be time enough for the Dominion to come in and assist. I do not recollect making any statement in those words. What I did say was this, that unemployment was first of all a municipal problem. I might go a step further back and say that it is first of all an individual problem, a problem for the individual and the family, a problem for the community and for societies and groups of societies within the community. Then it certainly becomes a municipal problem. If the municipalities find that they are incapable of dealing with the question of unemployment, it becomes a provincial problem. If the provinces find that they are unable to cope with the problem of unemployment, then I think it very properly becomes a federal problem, but until that stage is reached I think that we may well apply in the matter of unemployment as in all else the old maxim that it is a good thing for everyone to mind his own business. It is a good thing for the municipalities to look after their own business; it is a good thing for the provinces to look after their own business; and it is a good thing for the Dominion to look after its own business.

May I point out that we are assisting in the unemployment problem in a multitude of ways. My reference to the Dominion coming to the assistance of the provinces when they are unequal to meeting the problem of unemployment had reference to a state of emergency which can be met only by the federal treasury coming to the help of the provinces and to the municipalities in a case of great need. We had such a condition dur-

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ing the days of the reestablishment of our war veterans. There was a time when the municipalities and the provinces could hardly be expected to meet the emergency that then existed, and the federal treasury, very properly I think, contributed to a solution of the unemployment problem. But in a normal period the municipalities will have to deal with the problem to a certain extent in their own way; the provinces will have to deal with it in their own way; and the federal government will have to deal with the problem in its own way, and we are dealing with it in our own way to-day.

May I point out, first of all, that this government gives to the provinces large subsidies. These subsidies were provided for at the time the British North America Act was framed in order to assist the provinces in meeting many obligations which came within their jurisdiction, but which it was felt they might not have sufficient revenues to take care of. These subsidies may be used for any purpose which the provinces see fit, and over and over again the provinces have represented that they would much rather receive what they are going to get from the federal treasury in the nature of a subsidy to the province without any strings attached to it, than a grant given for any particular purpose. If the subsidies granted to the provinces are not adequate, then there should be some revision of the subsidies, but this federal government cannot be expected from time to time to make grants out of the federal treasury to the provinces to meet obligations which are more particularly those of the provinces themselves.

We are now cooperating with the provinces also in an old age pension scheme. The old age pensions involve a considerable drain upon the federal treasury. I venture to say that every person receiving an old age pension is an individual who in time of great need would more or less in an official count be classed, because of his very limited circumstances, within the category of those who would be unemployed and in need of some assistance. In large part that would be the case with many who are now receiving old age pensions, and to the extent to which this federal government is contributing funds, as it now is on a large scale to the provinces, to help meet that situation, to that extent it is lessening the unemployment problem in the different provinces.

In addition, this government has a particular charge, and rightly so I believe, in the care of the returned soldiers and to some extent of the dependents of those who lost their lives or of