

hope that the agencies that are seeking to develop that new spirit and that new attitude will be furthered in every direction possible, that the hands of those who direct them will be strengthened and their work enhanced, but we must not deceive ourselves into thinking that any parliament on earth is going to be able to bring about a permanent change in social and economic conditions. Parliaments cannot do everything but because we may have to wait some time for another motive is to my mind no reason why, to the extent of our ability both in and out of parliament, we might not do very much towards helping to bring about better social conditions.

Frankly, my view is that the crux of the whole situation lies not so much in any outward reorganizing of industry according to any particular model but rather in the control of policy by those who make any contribution to industry. As I see it, the present system of industry, the so-called capitalistic system, is a system organized largely on the basis of the single control of industrial policies by capital investors. It is the capitalist who invests his money who has the say in the choice of the board of directors; it is the board of directors that appoints the management; it is the management which in a large part dictates the policies of the industry under the direction of the board, and which has to do with determining rates to be paid to labour and the prices or rates to be paid by the consumer for the commodities produced and the services rendered. Looking broadly at the changes which are taking place in different parts of the world, it seems to me that what is being attempted in one part is an endeavour to substitute for that single control on the part of capital, single control on the part of some other factor contributing to industrial development. As I see the movement in Russia, the emphasis is laid largely on the single control by labour. In Prussia before the war great emphasis was laid on the single control of the community organized as the state, state socialism in a highly developed form. I believe that a large part of the conflict which arises in these matters comes from the effort of one factor contributing to industry seeking to gain a monopoly of control and failing to realize that the secret of any change which is going to be permanent, enduring and worth while lies not in the substitution of monopoly by some other factor for the one which exists. The secret lies in the doing away altogether with monopoly of control and the substitution in its stead of joint control of industrial policy.

[Mr. Mackenzie King.]

At the risk of being considered indiscreet, may I outline a practical experiment which may help to explain what I mean in a concrete way. I do not want any part of what I say to be taken too literally, I should like the matter to be considered as being tentative, but I bring it forward with a view to disclosing the kind of thing I have in mind. I spoke of substituting joint-control in all matters pertaining to industrial policy for single control. Consider the railways of this country. So far as the Canadian Pacific Railway is concerned, it is under private management; and for the most part control is in the hands of the directors who are appointed by those who have capital invested. The Canadian National system is a government-owned road. There the control is largely that of the directors who have been appointed by the government of the day which, in its action in that regard, is supposed to represent the people. Whether the directors fairly represent the different classes in the community, one has to examine for oneself; see who they are, and what their previous relations and associations may have been. At any rate, each of these systems is controlled as respects the policies which govern by certain groups of gentlemen who represent very definite interests.

We have, in the railway commission, a body which also has to be considered in connection with the railways of the country. It is in a very real way representative of the community, of consumers and producers. It is a body which has been appointed by parliament to see that rates are subject to control. The extent to which it is truly representative of all groups must again be decided upon examination of those who sit upon the board and who have the controlling influence there. Attention has been given to the representation of labour and also of the farmers on that board, and, to that extent, it comes close to representing the sort of thing I have in mind when I speak of joint-control by all interested groups as being essential in the determination of policy.

If it be a good thing to have all classes represented in that way on the railway commission, why should such representation not be an equally good thing with respect to the management of the railroads, whether they be under government or private ownership? That is a point I should like to have considered. Why should there not be on the board at Montreal, whether it be of the Canadian Pacific or of the Canadian National, representatives of the great brotherhoods, such as the locomotive engineers, firemen, conductors.