

Australian Treaty—Mr. Young (Weyburn)

Mr. STEVENS: I also said it was one of Australia's chief products. My hon. friend takes a small item and twists it—

Some hon. MEMBERS: Order, order.

Mr. YOUNG (Weyburn): I was going to add that my hon. friend said Australia could afford to do that because she is a producer of gold. I am one year behind my hon. friend, because he had one book out of the library ahead of mine. Last year Australia produced only about twelve or thirteen million dollars' worth of gold.

Mr. STEVENS: No, pounds sterling.

Mr. YOUNG (Weyburn): No, £2,375,000, which is less than \$12,000,000.

Mr. STEVENS: You are all wrong.

Mr. YOUNG (Weyburn): No, I am absolutely right. Australia produces now between £2,000,000 and £3,000,000 worth of gold per annum. Change that into dollars and it comes between \$10,000,000 and \$15,000,000. She exported in eight months \$79,000,000 in gold.

Mr. STEVENS: According to the Minister of Trade and Commerce (Mr. Malcolm).

Mr. YOUNG (Weyburn): These figures show that Australia is depleting her gold reserve. She has nothing to give in exchange for her imports. The tariff policy that she has adopted has made it impossible for her to trade with the world, and she has to deplete her gold reserve. Take the issue of January 18th of the Commercial Intelligence Journal, and it will show you that the Australian government is even now drafting a law to make the Commonwealth Bank of Australia—the government bank—the sole repository of gold in that country, and to prevent entirely the importation of gold. That is the situation. That is because, as the hon. gentleman said, she is exporting gold that she is not producing, and she is depleting her gold reserve. That is the situation that has been brought about in Australia by this tariff policy which my hon. friends are so fond of advocating.

My hon. friend from Vancouver Centre (Mr. Stevens) took me to task the other night for preferring the consumer to the producer. He said that while he has great respect for the consumer and the consumer's rights, he prefers the producer when the two interests clash. He would rather satisfy the producer than the consumer. I must admit that that belief is very popular in the world at the present time. Nearly every country has taken that attitude. They have undertaken to encourage the pro-

[Mr. E. J. Young.]

ducer and lost sight of the consumer, and with what result? This has been the result; production has been encouraged to the point that the consumer is no longer able to buy the product of the producer; the purchasing power of the consumer has gone. You cannot tell me that there is too much food in the world; we have hundreds of millions of bushels of wheat in this country, and yet there are millions of people starving in Europe. It is a fact that 75 per cent of the people of the world to-day are wearing clothes frayed at the edges, yet the shelves in our shops are loaded with the products of manufacturers that cannot be sold.

Mr. CHAPLIN: Is wheat so dear they cannot buy it?

Mr. YOUNG (Weyburn): No, they are so poor they cannot buy it. This is the result of the policy adopted by practically every country of the world which favours the producer at the expense of the consumer. What is the remedy for the situation? There is only one remedy, and that is to bring those goods to a price the consumer can afford to pay. That is the only remedy. My hon. friend spoke of the depression in the United States as being due to the introduction of machinery.

Mr. BENNETT: And mass production.

Mr. YOUNG (Weyburn): The introduction of machinery and the adoption of what is called mass production has resulted in the possibility of producing the same quantity of goods with a lesser amount of labour. A certain percentage of the persons employed are laid off, and are thrown out of work; what should have happened then would be a reduction in price. Had there been a corresponding reduction in price where the manufacturer could then afford to sell his goods for less, and if he had reduced the price of his goods, the purchasing power would have been increased; there would have been a greater demand for the goods, more people would have been employed in that and other industries, and the men laid off because of the introduction of improved methods would be employed in some other way. But they have not done that. They have endeavoured to maintain the price until the time arrived when so many men were unemployed that there was no possibility of their buying the goods. That is the cause of unemployment, so far as the introduction of improved methods is concerned. The only remedy for that situation is to lower the price so as to enable the people to purchase the goods in the shops, and set the wheels of industry going again.