

Relief and Agricultural Distress

government of a province—the government of Alberta, for example—should suggest to the people of that province that by associating together and controlling their own credit and producing wealth, and being prepared to produce it, they could pay dividends to themselves. We know that it would take an increase in the amount of money to pay dividends to the people; but we know that precautions can be taken to prevent the evils of inflation, and we know also that the velocity of circulation would possibly increase and that it would not take as much as many believe it would to pay a dividend of \$25 to every citizen in Canada. We know that if the people of this country were prepared to support the issue of dividends by their willingness to render services and produce wealth, such dividends are possible in this country.

We know that thousands of fishermen on both coasts are on relief; that thousands of fruit growers are not putting in new trees because they are unable to sell the fruit from the trees they have; that our lumber industry has slowed down; that our cement plants are closed or running part time; that our mines in the west are not turning out all the coal which could be produced; that we are not utilizing all the power which is developed in Canada to-day or taking steps to utilize our natural resources to the extent that is possible if our system of economics were properly ordered. We know that physically it is possible to provide the citizens of Canada with a high standard of living, but the present financial system prevents this. People are turning from the present monetary system, realizing that they cannot borrow themselves into prosperity or tax themselves into prosperity.

I turn for a moment to the housing problem. I know that the government attempted to put men back to work by encouraging the erection and repair of homes. Fifteen million dollars have been borrowed from the banks, but what does that amount to in comparison with the tremendous need of housing facilities in this country? Fifteen million dollars could be spent in Montreal alone in slum clearance, and the mess would not be cleared up. I expected, when the Prime Minister (Mr. Mackenzie King) said before the election that money would be appropriated for a national housing scheme, that money would be issued by the Bank of Canada in sufficient amount really to solve this problem. But that did not take place. On the contrary, an agreement was entered into with the private banks whereby \$50,000,000 could be loaned to the people of Can-

[Mr. Landeryou.]

ada at a rate of 6·32 per cent interest, although in the great republic to the south and in New Zealand money for this purpose is provided at four per cent and less. Not only did we allow the private banks to collect 6·32 per cent interest, adding to the private debts of this country, but we guaranteed them against loss up to \$15,000,000. The government is throwing the responsibility for the unemployed upon the individual citizens of the country, asking them to go further into debt without assuring them that the government is taking steps to remove this paradox of starvation in the midst of plenty.

I hope the news we hear is true, namely that the minister intends to bring down a bill which will provide for more than a mere alleviation of the situation, for something of a permanent nature, a real attack on this problem. If he engages in a scheme of public works, and if other departments of the government encourage industry, develop foreign trade, explore every possible avenue to improve the employment situation, I believe that it will not be necessary to carry on such public works indefinitely; that the time will come when public works can slacken off, because these men will become absorbed in industry. But until such time as industry is able to absorb all the unemployed who are employable, it is the duty and responsibility of the government to provide for their needs—and not with borrowed money. It is time for the government to take over the issue and control of money, not to wait for seven years or for any other period. It is not sufficient to have control of fifty-one per cent of the shares of the Bank of Canada, or to have the power to appoint a majority of the board of directors. What we want is a government which will change the policy of that bank, and take control of the issue of money and credit and so order it that there will be sufficient for those who need it in industry, and sufficient purchasing power in the hands of the people to enable them to buy the products of industry and the services which can be rendered by the citizens of Canada to each other.

The minister referred to relief rates. He said the employment commission had recommended that some of these rates be cut down.

The CHAIRMAN: I regret to interrupt the hon. member, but his time is exhausted.

Mr. LANDERYOU: It will take me just one moment more, Mr. Chairman. I want to refer to the relief rates which are paid in these municipalities, and which the minister stated were competing with wage rates. I ask the minister if he will place on record